

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Established 1867. Paris: 1,000 F. London: 150 P. New York: 1.000 F. Tokyo: 1,000 F. Singapore: 1,000 F. Hong Kong: 1,000 F. Zurich: 1,000 F. Rome: 1,000 F. Frankfurt: 1,000 F. Manila: 1,000 F. Seoul: 1,000 F. Taipei: 1,000 F. Beijing: 1,000 F. Moscow: 1,000 F. Athens: 1,000 F. Buenos Aires: 1,000 F. Santiago: 1,000 F. Lima: 1,000 F. Bogota: 1,000 F. Caracas: 1,000 F. Havana: 1,000 F. Mexico City: 1,000 F. Lima: 1,000 F. Santiago: 1,000 F. Bogota: 1,000 F. Caracas: 1,000 F. Havana: 1,000 F. Mexico City: 1,000 F.

No. 34,119 45/92 LONDON, SATURDAY-SUNDAY, NOVEMBER 7-8, 1992 ESTABLISHED 1867

Preparing a President Quietly, Clinton Did His Homework On the Intricacies of Foreign Policy

By Don Oberdorfer. WASHINGTON — In a venerable downtown club in New Haven, Connecticut, on Sept. 8, Bill Clinton, heard an earful about U.S. problems with Japan. The candidate's brief in an hour-long private session on Japan, Mike Mochizuki of the University of Southern California, suggested the United States should take a fundamentally new approach to the critical economic relationship. Rather than continue the Reagan-Bush policy of seeking to remake the Japanese economy in the more open U.S. image, a Clinton administration should work through Japan's unique existing economic structure to achieve greater market share for U.S. products, Mr. Mochizuki proposed.

Vernon Jordan, an Ex-Rights Leader, Is Put in Charge of Transition Team

Compiled by Our Staff From Dispatches. LITTLE ROCK, Arkansas — Bill Clinton appointed Vernon E. Jordan, a Washington lawyer, to head his transition team and a former deputy secretary of state, Warren M. Christopher, to manage the daily operation, including selection of top officials for the new administration. "The American people could have no better servants working on their behalf," Mr. Clinton said in a statement announcing the appointments, his first major personnel decision as president-elect.

Bush Aides Are Advising Pardon for Weinberger

By Ann Devroy. WASHINGTON — Some senior Republicans and White House aides, including Vice President Dan Quayle, are advising a presidential pardon of Iran-contra defendants, starting with former Defense Secretary Caspar W. Weinberger, as President George Bush begins clearing his desk of the final business of 12 years of Republican administration. According to White House and Republican sources, no formal recommendation has been made to Mr. Bush but some of his aides have raised the possibility informally. Martin Fitzwater, the White House press secretary, said Friday he had heard no discussion of such a move.

Europe Backs Off From Trade War, Calling for More Talks With U.S.



Jacques Delors, the EC Commission president, being pressed Friday in London over his role in the failed U.S.-EC trade talks.

One More Wedge Into European Unity

By Tom Redburn. PARIS — The cause of European unity suffered another big blow this week as dismay among EC leaders over how to respond to the United States in critical trade negotiations widened major cracks in an already fragile Community. "The European position is adrift," said Helen Wallace, director of the new Suffolk European Institute at Suffolk University in England. "You need a strong sense of solidarity if you are to take decisions that can end up hurting certain groups," she said. "But each major country in Europe is locking into its own domestic politics rather than looking to develop European positions in common."

EC, Minus Denmark, Hits U.K. on Delay

Compiled by Our Staff From Dispatches. BRUSSELS — Members of the European Community, already quarreling at the precipice of a trade war with Washington, criticized Britain on Friday for postponing ratification of the Maastricht treaty. But Denmark, which is seeking legally binding treaty exemptions from its EC partners before any second referendum, was pleased that it no longer faced the prospect of complete isolation at a Community summit meeting next month. "The British prime minister's move can only be seen as helping Denmark's position," said the Danish foreign minister, Uffe Ellemann-Jensen. Moreover, the Danes say it is far from certain that the second referendum will come as soon as May.

France Faces Pressure to Fall Into Line

By Barry James. PARIS — The European Community scrambled to back away from a trade war with the United States on Friday, calling for new talks a day after Washington announced punitive trade sanctions on EC goods. The 12 EC trade ministers, meeting outside London, rejected retaliating against the United States in the dispute over subsidies to European oilseed producers. And Jacques Delors, president of the EC Commission, who has been accused of causing the resignation of his chief negotiator by putting the interests of France first, said he would try to resume negotiations in the EC-U.S. trade talks "without delay."

In Ukraine, National Honeymoon Is Over

By Serge Schmemmann. KIEV, Ukraine — Fourteen months into independence, Ukrainians are learning that the romance of nationhood is hard to sustain when the economy is in shambles. The proud blue-and-yellow flags and national emblems are all in place now, and schoolchildren are nurtured on Ukrainian legend and lore from the first grade. But Ukraine's economy, like those of most former Soviet republics, is in tatters. Prices are higher than in Russia, inflation is raging, production is down, fuel is precious, debts are staggering. Without oil, gas or much lumber of its own, Ukraine has had to scramble to meet its basic needs. And virtually no new economic policies have been put into effect.

No Single Cause Found in El Al Crash

AMSTERDAM (Reuters) — Dutch authorities said Friday that metal fatigue alone — as originally theorized — could not have caused an Israeli Boeing 747 cargo jet to lose two engines and crash into an apartment block here on Oct. 4, killing about 50.



In Sarajevo, a woman learning that evacuation of 6,000 had been canceled. Page 2.

Market data table including Dow Jones (3,788), Trib Index (88.46), The Dollar (1.5975), and various stock indices.

Maharajahs Are Hoping an Old Way May Be Coming Back

By Edward A. Gargan. JAIPUR, India — Were it not for the central procession of marble columns, the scattering of silver-encrusted wine vats, a Lalique table and a warehouse worth of overstuffed furniture, Bhayani Singh could comfortably play a set of mahjong in his living room. Down the hall are 1,500 or so more rooms, some bigger, some smaller. "It is home," Mr. Singh said, sinking into an armchair. "It is beautiful, and if you had beautiful objects, why lock them up?"

Try to Figure This One Out

DEARBORN, Michigan — A police corporal was suspended and ordered to undergo psychiatric evaluation because he writes the number 7 with a line through the downstroke, as people in much of the rest of the world do to distinguish it from the numeral 1. Brian Yinger said he tried to break the habit when he was ordered to six months ago but he forgot when writing some reports and was brought before a department disciplinary board.

VOTE '92 / THE SELLING OF THE CANDIDATE

★ ELECTION NOTES ★

A Third Party? Perot Calls Idea 'Premature'

NEW YORK — Ross Perot said Friday that he was not going to push for a third political party because he thought the idea was premature.

In an interview on the ABC News program "20/20," Mr. Perot said one of the reasons he did not think "it will happen at this point" was that "we don't have an imminent election."

"Let's work through the system and try to get things done," he said, observing that his supporters in all 50 states wanted to continue to work together.

"We will continue forward, and our goal will be to constructively work with both parties to get the reforms in government that must be made," he said. He added that the nation must "deal with the deficit, deal with the debt, deal with all these problems we've been discussing for several months."

Mr. Perot, who finished third in the presidential election, said the eventuality of a third party would be determined by Perot voters. "They'll come together in the next few days to discuss it, figure out what they want to do," he said. He added that he did not think organization of a third party "will happen at this point."

"If they came back with that," he said, "I'd say, Look, that's premature."

Later in the interview, he said that if two years from now "everything is in disarray," the odds would be 100 percent that his followers will want a third party. Asked if he would head a third party, if asked to, he replied: "I would want to make sure that it was in the country's interest."

Mr. Perot said it was "probably not in the cards" for President-elect Bill Clinton to offer him a cabinet position or the chairmanship of a commission that would help reduce the deficit. (UPI)

For Quayle, a Once-Bright Future Darkens

INDIANAPOLIS — President George Bush gave, and President Bush took away.

So it may be with the presidential hopes that have glimmered for Dan Quayle ever since Mr. Bush picked the then-obscure senator from Indiana as his running mate in 1988. With the defeat of the Republican ticket on Tuesday, those dreams may have been snuffed out.

At the least, Mr. Quayle's journey to the White House became a lot longer.

If Mr. Bush had won re-election, the vice president would have approached the 1996 election as a front-runner for the Republican nomination, backed by a solid-gold network of allies and an eight-year incumbency in a party that attaches great importance to high rank.

Instead, he has been "tainted by his association with Bush, and may not recover," said Burton Yale Pines of the Center for Public Policy Studies, a conservative policy organization based in Washington.

And, referring to the radical Mr. Quayle has endured over whether he measured up to the demands of national office, Mr. Pines said, "Think of it: He gave up a safe seat in the Senate, and took a beating for four years. Dan Quayle has lived a Greek tragedy." (LAT)

Clinton-Yeltsin Meeting is Yet to Be Decided

LITTLE ROCK, Arkansas — President-elect Bill Clinton and President Boris N. Yeltsin of Russia have discussed the possibility of a summit meeting, but nothing has been decided, a Clinton spokesman, George Stephanopoulos, said Friday. He added that he did not know if there had been a specific invitation by Mr. Yeltsin. (Reuters)

Mayors Ready to Bring Up the Urban Crisis

WASHINGTON — Mayors from across the country, describing themselves as "orphans of the Cold War," are busy preparing strategies for federal intervention in the nation's urban crisis, which they plan to offer Mr. Clinton as soon as he will meet with them.

The U.S. Conference of Mayors has scheduled a leadership meeting in Atlanta on Tuesday to discuss ways of "restoring a partnership with the White House," according to the conference's executive director, J. Thomas Cochran.

Similarly, state governors, legislators, county managers and other local officials are preparing to meet next week in Colorado Springs to discuss reviving active federalism after 12 years of what many regard as disastrous neglect in the laissez-faire domestic policies of the Reagan and Bush administrations. (WP)

Quota/Unquotas

Jimmy Carter, asked if he expected to play a role in the Clinton administration: "I would not accept any prominent position in Washington. I don't want it. And if I was offered it, I would turn it down. But if any president, President Bush or Reagan, had called on me, or if Bill Clinton calls on me in the future to fulfill a role of a limited-time nature where I felt I was uniquely qualified to bring, you know, competing groups together or to assuage some problem, I would be delighted to serve, just on an ad hoc basis, yes." (IBT)

PARDON: Advice to President

(Continued from page 1)

tion" for Senator Phil Gramm of Texas, and his presidential efforts, would be counterproductive to rebuilding a shattered party.

At the White House and in Republican circles, thousands of Bush appointees began the adjustment to life out of power, with the first sign being phones that no longer ring.

Mr. Fitzwater, who held the post of White House press secretary both for Ronald Reagan and then Mr. Bush, was uncharacteristically poetic about his abrupt change of status. "Receding power rides a swift horse," he said. "You know, it's kind of nice. No horrid waiting outside my door. No endless phone list. It is kind of peaceful."

Some Bush aides got a more abrupt welcome to the new world. Margaret D. Tutwiler, director of communications at the White House and former assistant secretary of state, said she arrived home from Houston Wednesday to find letters from two Washington real estate agents offering to sell her house. On Friday, film crews were filming the house as part of a story on the outgoing team. Miss Tutwiler, however, plans to remain in Washington and find a job in the private sector after Mr. Clinton's inauguration.

Mr. Fitzwater on Friday described Mr. Bush as wanting to give "a healing kind of speech" on Saturday and to take responsibility for his own administration and the operation of his campaign, in an effort to end the blame-laying epidemic among Republicans this week. Mr. Bush, he said, is not bitter about about his loss, although others describe him as bitter about his treatment by the media and about the final hours Iran-contradictment.

A senior aide said: "Many of us will go to our graves believing there was political motivation in the timing of this by Walsh and that any dim hope we had of catching Clinton died when we spent the last two days of the campaign on the defense over Iran-contras."

Aides to Mr. Quayle said his conversations with Mr. Bush are private and they did not know whether he directly suggested to the president that Mr. Weinberger and others should get a presidential pardon before he leaves office. One aide said that mid-level Bush aides discussed the issue on the flight from Houston to Washington on Wednesday after the election.

Away From Politics

• Accusations of police misconduct are best reviewed by committees made up of a mixture of civilians and policemen, according to a nationwide survey that found that policy was preferred by an overwhelming majority in the United States.

• Rodney Peairs, indicted in the shooting of a Japanese exchange student on a manslaughter charge, was freed after posting a \$100,000 property bond in Baton Rouge, Louisiana. Mr. Peairs was charged in the shooting of Yoshinori Hattori, 16, who had knocked on his door by mistake on Oct. 17, dressed in a Halloween costume.

• The number of Haitians seeking to reach the United States aboard small boats has begun mounting rapidly after a lull of four months, the Coast Guard said. Figures indicated that more than 700 Haitians were intercepted by cutters on the high seas last month and returned to their country, nearly double the number picked up from June to September, and possibly portending a dramatic rise.

• More than 3,000 lawyers have canceled their memberships in protest against a vote in August by the American Bar Association's House of Delegates to oppose laws that restrict a woman's right to abortion who resigned the last time the issue was taken up by the association, the nation's largest lawyers' group.

• The United States donated \$100 million to Unicef, the largest single cash donation since the United Nations children's fund was established 45 years ago. (AP, Reuters, UPI, NYT, LAT)

How Clinton Won Ad Campaign Within the Campaign

By Howard Kurtz
Washington Post Service

WASHINGTON — Throughout the fall campaign, Bill Clinton's "rapid response" team often had a crucial advantage: It got hold of President George Bush's commercials before they went on the air.

On the Tuesday before Election Day, Frank Greer, Mr. Clinton's media adviser, obtained the script for what became known as Mr. Bush's "Night of the Living Dead" advertisement. Although he did not have the videotape — which depicted Mr. Clinton's Arkansas as a barren landscape with a lone buzzard — Mr. Greer used the script to make his own version of the spot.

He quickly tested it with a focus group, along with various versions of a Clinton counterattack. When Mr. Bush launched the attack last week, the Clinton response was on the air within 24 hours.

The advertising battle between Mr. Bush and the Arkansas governor frequently involved steady warfare, from printing scripts to stockpiling ammunition. Both campaigns shipped numerous advertisements in television stations that were never used but remained available for last-minute assaults.

In a technological age, campaigns sometimes obtain

an opposing candidate's advertisements by intercepting satellite transmissions as the material is being beamed to local stations. Sometimes a rival's advertisements might be played by a friendly employee at a local station.

Mr. Greer would not discuss his methods, but he denied accusations by Republican officials that his office was getting advance information from a source within the Bush campaign. "We always did it in a very above-board way," Mr. Greer said.

Mindful of the damage that Bush advertisements did to Michael S. Dukakis, the 1988 Democratic candidate, the Clinton team put a premium on anticipating each assault.

Last summer, Mr. Greer filmed his own batch of anti-Clinton advertisements. "They were devastating," he said.

A Bush campaign adviser said the president's advertising was hampered by a top-heavy bureaucracy that lurched from one strategy to another. "We never knew if we were focusing on Arkansas or Mr. Clinton's character or big spending," the official said. "I don't think it ever clicked. I don't think the character assault was framed very well."

Clinton ran a negative campaign against Mr. Bush — "This guy's wrecked the economy, let's get rid of

him" — and he got away with it. They just did it in a slicker, smoother way."

In the campaign's final 10 days, the Clinton team made three advertisements assailing Ross Perot, but held them back after concluding that the independent candidate's surge in the polls had ended. The Bush camp produced a harsh spot asserting that Mr. Clinton's health plan amounted "socialized medicine," but never broadcast it.

Mr. Greer's office obtained the script for the health advertisement and faxed it to reporters, along with the names of experts who could rebut it. But Bush aides decided it made no sense to highlight one of Mr. Clinton's strongest issues.

Mr. Greer said his research consistently found that viewers believed that Mr. Bush's negative advertisements — such as one suggesting that Mr. Clinton would raise taxes on middle-class workers — lacked documentation. "They never figured out that you needed to offer people substantiation and details," he said. "Ross Perot figured that out."

Clinton aides were stunned when Mr. Perot devoted half of a 30-minute commercial last Sunday to an attack on the governor's record in Arkansas. Using flip-charts, Mr. Perot cited depressing statistics about

the state's poverty and social problems, even noting that it has a smaller budget than Toys 'R Us.

"I was really worried about it," Mr. Greer said. "I was scared to death."

In one of his anti-Perot advertisements, Mr. Greer used several former Perot volunteers who said the Texas billionaire lacked the character to be president. In another, a narrator said: "Ross Perot's plan? It could make things worse. He wants a 50-cent gas tax, which hits middle-class families hardest. He wants to raise taxes on the middle class. And he wants to cut Medicare benefits."

Each point was accompanied by a page number from Mr. Perot's book, "United We Stand: How We Can Take Back Our Country."

But the Clinton campaign decided that such an approach would backfire with Perot supporters. Clinton aides say that the president's most effective advertisement, in late September, mixed hillbilly music with a detailed listing of the governor's tax increases in Arkansas. But the Bush camp dropped that theme and did not revive it until the "Night of the Living Dead" spot.

"We should have engaged Clinton on the Arkansas record earlier, and the whole campaign could have been about Arkansas," the Bush adviser said.

JORDAN: Black Lawyer to Lead Transition Team

(Continued from page 1)

corporations, including American Express, Bankers Trust, Union Carbide, J.C. Penney, Xerox, Corning Glass, Dow Jones, Revlon, RJR Nabisco and Sara Lee.

Mr. Jordan, who is black, served as president of the National Urban League from 1972 to 1981. There has been wide speculation — though no official confirmation — that Mr. Clinton was considering him for a cabinet post, possibly attorney general.

Mr. Christopher, 67, partner in a Los Angeles legal firm, is also a strong establishment figure. He was an assistant attorney general in the Johnson administration and the No. 2 man in the State Department when Jimmy Carter was president. He played a crucial role in negotiating the freedom of U.S. diplomats held hostage by Iran for 444 days.

More recently, he headed a civilian commission that looked into the Los Angeles Police Department after the city's spring riots, which left 53 people dead following the verdict in the trial of policemen who beat a black motorist.

Mention of Mr. Christopher as a possible secretary of state prompted a quiet campaign on the part of several prominent Jewish officials to dissuade the president-elect from naming him, warning that the choice might alienate an important part of Mr. Clinton's constituency.

Leading figures in several major Jewish organizations said they had contacted Clinton aides to say they would be unhappy if Mr. Christo-

pher got the job, preferring someone who they can be assured will be squarely on the side of Israel in the Middle East peace talks.

"He was one of Carter's guys and Carter was not a friend of Israel," one Jewish organizer said, adding that Mr. Christopher is "bad medicine" — it'll be considered a slap in the face.

Mr. Carter angered many Jews during his administration by pressing for Israeli concessions to reach a Middle East peace agreement. Mr. Christopher "doesn't have much of a profile as a friend of Israel," another said. "We think we can do better."

There was no indication that Jewish objections had anything to do with Mr. Christopher's apparent unwillingness to be considered for a cabinet post.

He has been a Clinton adviser, leading the search team for Mr. Clinton's running mate, Senator Al Gore of Tennessee. Mr. Jordan was also part of the screening effort.

Mr. Stephanopoulos sidestepped questions of whether Mr. Clinton would move quickly after his Jan. 20 inauguration to reverse several Bush administration policies he has criticized. Mr. Clinton has said he favored permitting homosexuals in the military, lifting a ban on fetal tissue research and expanding abortion counseling at federally financed family planning clinics.

Signaling a distinct shift from politics to the business of government, the appointment of top transition aides would mark Mr. Clinton's first personnel decisions since his election triumph on Tuesday.

There have been reports — exaggerated, according to Clinton aides — of friction among senior staffers over the designation of the transition team.

The dispute over the leadership of Mr. Clinton's transition team was the first sign of political infighting in surface in a team that, during the long campaign, had prided itself on its collegiality.

"It's a bloody, ugly mess," one staff member said.

But Mr. Christopher, on his way into a meeting with Mr. Clinton earlier Friday, said, "The transition's going fine."

Mr. Clinton had kept his thoughts on the transition close to the vest. Even key figures within the campaign said they were not sure what they would be doing.

"The governor took his time," said Dee Myers, a press spokesman. "He decided not to be pressured by some arbitrary deadline. He said very little about it until he was ready to make an announcement. That served the campaign very well."

Miss Myers said Mr. Clinton expected to spend the weekend in Little Rock, conducting transition meetings and spending time with his family. He had no travel plans for next week, she said.

On Thursday, Mr. Clinton placed return calls to the leaders of Russia, Mexico, Canada, Britain and Italy and to South Africa's Nelson Mandela, thanking them for their earlier congratulatory messages. (AP, WP, LAT)



Warren M. Christopher, who will take over day-to-day control of the transition, Friday in Little Rock.

POLICY: Quiet Homework

(Continued from page 1)

more than two dozen campaign statements on the subject.

While still a diplomatic novice compared to President George Bush, who spent much of the past two decades dealing with foreign policy, Mr. Clinton is described by aides as far better prepared for this aspect of the presidency than is generally realized.

In his first post-election policy statement, which he read to reporters Wednesday afternoon in Little Rock, Mr. Clinton emphasized "the essential continuity of American foreign policy" and pledged to work closely with Mr. Bush during the transition on six pressing questions: the Middle East peace process, the START-2 strategic arms reduction talks, world trade talks, relations with Russia, the war in Yugoslavia and famine in Somalia.

Evidently with Iraq in mind, Mr. Clinton also warned "any adversary" nation against doubting U.S. resolve during the transition period.

"The Cold War is won," he said. "Now we have a chance to build a new peace. We have entered a global economy," he added, in a statement setting the tone and overseas priorities.

A review of Mr. Clinton's campaign statements and interviews with his foreign policy advisers suggest that Mr. Clinton is likely to emphasize several points, called by advisers "the three pillars":

- The importance of revitalizing the U.S. economy in the context of the new global economy. Mr. Clinton told Ted Koppel of ABC in a post-election interview Wednesday that "I am going to focus like a laser beam on this economy, and foreign policy will come into play in part as it affects the economy."
- Nevertheless, fixing the economy is the work of many months, if not many years, with other world problems and crises likely to challenge the Clinton presidency long before this is accomplished. Rebuilding the economy and engaging problems abroad are "not sequential," said a former State Department official, Anthony Lake, now a senior Clinton adviser.
- While laying a stronger economic base for foreign policy will take time, Mr. Lake said, an early start can be made developing "the political basis" if Americans see the new president dealing with U.S. problems. "And in diplomatic terms he'll have to be engaged right from the start," Mr. Lake added.
- Reconfiguring U.S. military priorities and deployments to reflect the demise of the Cold War. While Mr. Clinton has called for only modest budgetary cutbacks beyond those already proposed by Mr. Bush, "he will not put money into space-based" anti-missile defense systems favored by Mr. Bush and Ronald Reagan, said Michael Mandelbaum of the Johns Hopkins School of Advanced International

Little Rock: Not on Line To Paris Yet

PARIS — Lines from Little Rock to Paris seem to be working, but President-elect Bill Clinton has yet to call President Francois Mitterrand.

Mr. Clinton spoke on the telephone with the leaders of Russia, Canada, Mexico, Italy, Argentina and even the African National Congress on Thursday, but by Friday afternoon he still had not contacted the French leader, officials said, although Mr. Mitterrand sent a telegram of congratulations on Wednesday.

It was not clear whether the omission reflected the tense U.S.-French relations over a dispute that threatens to spark a trans-Atlantic trade war.

Studies, also a Clinton adviser. "There will be fewer troops in Europe, but also more flexibility and mobility," he added.

• Greater emphasis on promotion of democracy overseas as a tenet of U.S. foreign policy. Mr. Clinton devoted an entire speech on Oct. 1 in Milwaukee to this theme and alluded to it Wednesday. The issue is a key one for neo-conservative Democrats such as Richard Schifter, who served in the Reagan and Bush administrations as assistant secretary of state for human rights. Mr. Schifter said Mr. Clinton telephoned him the day after he left the State Department last spring, soliciting his support and voicing strong support for promoting democracy abroad.

It is yet uncertain how these and other objectives will be pursued as the Clinton administration deals with a vast domestic agenda.


Home Is a Place Called Mansion

The Associated Press

LITTLE ROCK, Arkansas — President-elect Bill Clinton can live in the governor's mansion here until he is ready to move to the White House. That according to the lieutenant governor of Arkansas, Jim Guy Tucker, who will take over as governor when Mr. Clinton resigns.

Questions had been raised about where Mr. Clinton would live once he resigns the governorship, because he does not have another residence. The president-elect has lived in the mansion 12 of the last 14 years.

"The mansion is designed not only for the governor," Mr. Tucker said, "but also for guests of the state, and I think the president-elect of the United States is an appropriate guest for us to have staying at the mansion."



OIL & MONEY: PLANNING FOR CHAOS

LONDON, NOVEMBER 16 - 17, 1992

The 13th annual conference co-sponsored by the International Herald Tribune and The Oil Daily

NOVEMBER 16	NOVEMBER 17
<p>OIL & MONEY: PLANNING FOR CHAOS</p> <p>09.00 KEYNOTE ADDRESS Daniel Yergin, President, Cambridge Energy Research Associates Inc., and author of "The Prize: The Epic Quest for Oil, Money and Power," winner of the 1992 Pulitzer Prize.</p> <p>09.45 WORLD OIL OUTLOOK — CHAOS FOR THE PLANNERS? Herman Franssen, Economic Advisor of H.E. the Minister of Petroleum & Minerals, Oman James M. Rowan, Senior Economist, Texaco Inc., Harrison, New York Gary N. Arosch, Chief Executive Officer, Petroleum Industry Research Associates Inc., New York Keith Hamm, Managing Director, Petroleum Economics Ltd., London</p> <p>11.15 Coffee</p> <p>11.45 THE OIL INDUSTRY'S RESPONSE TO THE NEW ENVIRONMENTAL AGENDA J. V. Mitchell, Special Adviser to the Managing Directors, British Petroleum Co. plc, London George W. Sarney, Senior Vice President and Group Executive for the Energy and Environmental Group, Raytheon Co., Lexington, Mass.</p> <p>12.45 Lunch — Hosted by KPMG Peat Marwick</p> <p>CORPORATE STRATEGIES FOR MANAGING CHAOS</p> <p>14.00 CORPORATE REORIENTATION AND RESTRUCTURING: ASSESSING THE TACTICS Marleen van den Bergh, Managing Director, Royal Dutch/Shell Group of Companies, The Hague John R. Hill, Chairman & CEO, Ashland Oil Inc., Ashland, Kentucky Constantine S. Nicandros, President & CEO, Conoco Inc., Houston, and Vice Chairman, Du Pont</p> <p>15.45 Tea</p> <p>16.00 EXPLORATION AND PRODUCTION: PLANNING FOR PROFIT AND CHANGE Dorise A. Bode, President, Independent Petroleum Association of America, Washington, D.C. Harald Norvik, President & Chairman, Statoil, Stavanger</p> <p>17.00 THE MOVE TOWARDS NATURAL GAS Burchard Bergmann, Member of the Executive Board, Ruhrgas A.G., Essen Kenneth L. Lay, Chairman & CEO, Enron Corp., Houston</p> <p>18.00 Cocktail Reception — Hosted by the New York Mercantile Exchange</p>	<p>FINANCIAL STRATEGIES FOR COPING WITH CHAOS</p> <p>09.00 THE FUTURE OF U.S. ENERGY POLICY Bill Burton, Energy Policy Coordinator for the Clinton Gore '92 Campaign</p> <p>09.30 WORLD ECONOMIC OUTLOOK Laurence G. Kantor, Vice President & Chief European Economist, J. P. Morgan, London</p> <p>10.00 OIL INDUSTRY RESTRUCTURING — A FINANCIAL REPORT CARD Thomas Coleman, Assistant V.P., Energy, Technology and Communications Group, Moody's Investors Service Inc., New York</p> <p>10.30 Coffee</p> <p>11.00 RAISING CAPITAL: WILL FINANCE BE AVAILABLE AND AT WHAT COST? Moderator: Nicholas G. Vouts, Consultant, The Hague and London Gerald Pottio, Director, Energy and Environmental Program, The Royal Institute of International Affairs, London Jan R. Prins, Senior Vice President and Head of Project & Energy Finance, ABN AMRO Bank, Amsterdam Tomrod Ralfgard, Managing Director, International Association of Independent Tanker Owners, Oslo</p> <p>12.30 Lunch</p> <p>MARKETING STRATEGIES FOR DEALING WITH CHAOS</p> <p>13.45 NEW CHALLENGES IN OIL TRADING Moderator: Marshall Thomas, The Oil Daily Group, Washington F. Nigel Graham, Business Development Manager, Neste Petroleum (Products) Ltd., London Robert Habbro, Director, Oxford Institute for Energy Studies Jeff Reardon, Director, Global Commodity Swaps, Merrill Lynch Capital Services Inc., New York R. Patrick Thompson, President, New York Mercantile Exchange Peter Wildblood, Chief Executive, The International Petroleum Exchange of London Ltd.</p> <p>15.15 NEWLY-EMERGING OIL MARKETS: RISKS AND REWARDS Andrei Bugrov, Political Counsellor, European Bank for Reconstruction and Development, London Brian A. Lavers, Chairman, Phibro Energy Production Inc., London Andrei Parnikov, President, Uralo Moskva, Moscow R. F. Walski, President, Chevron International Oil Co., San Francisco</p> <p>16.45 Close of Conference</p>

REGISTRATION INFORMATION: The fee for the conference is \$650.00 plus VAT at 17.5%. This includes the cocktail reception, lunches and all conference documentation. Fees are payable in advance. We regret there can be no refund, however, substitutions may be made at any time.

REGISTRATION FORM: To register for the conference, please complete the form below and send it to: Brenda Hagerly, International Herald Tribune, 83 Long Acre, London WC2E, England. Tel: (44 71) 836 4802. Fax: (44 71) 836 0717.

7-11-92

Enclosed is a check for £763.75 made payable to the International Herald Tribune Please invoice

Tel: (Dr. Mr. Mrs. Ms. Miss) _____ First Name _____

Family Name _____

Position _____

Company _____

Address _____

City _____ Country _____

Telephone _____ Fax _____

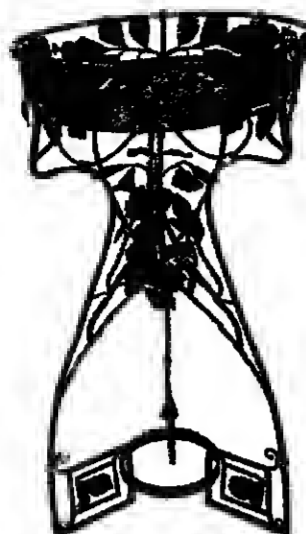
ART

Fantasy in Furniture

These Flamboyant Chairs Are Not for Sitting

By Rita Reif
New York Times Service

NEW YORK — Throughout history, the most outrageous and romantic forms of fantasy furniture have flourished when the economy sagged and dreams flourished.



A French plant stand in Belle Epoque style.

In the late 1930s, for example, Helena Rubinstein acquired a flamboyant suite of shell-shaped furniture for her New York apartment. And in 1938 Jean-Michel Frank, the French decorator, commissioned Salvador Dalí to design a sofa shaped like the mouth of Mae West for the showroom of Schiaparelli, the Paris couturière.

Peacocks probably inspired the Florentine craftsman Andrea Baccetti to carve the splendid feather-surfaced chair and table on view and in paint them red, silver and peacock blue.

Newman said that he first realized how witty and enchanting fantasy furniture can be during a visit in 1950 to the Royal Pavilion in Brighton, the country mansion built and extravagantly furnished by the man who later became George IV of England.

"I thought it was the surrealism Land of Oz," he said. "The prince regent, who built the place, certainly had a sense of humor."

And presumably so did Ludwig II, the Bavarian aristocrat with a taste for the bizarre in palaces and furnishings. "These two men gave people in the 19th century a license to live a fantasy life," Newman said.

The collection includes five types of fantasy furniture from the 19th century. The Venetian grotto style is represented by a curvaceous shell chair and a table with a dolphin-shaped base.

The Black Forest style — surprisingly all such furniture is Swiss, not German — is typified by a bench flanked by two robustly carved bears.

From Germany comes a lethal-looking smoking stand in the horn-and-antler style. Also from Germany there is a table designed for calling cards, on which a leering beast appears to be chewing up the top; the piece is an example of the psychological style.

The most romantic objects from the collection are a pair of nymph-embellished Art Nouveau chairs, carved in France at the turn of the

century in the Belle Epoque style. The silvered wood seats simulate lily pads, the backs large leaves and the legs thick clusters of sturdy vines. "These chairs are so sinuous they seem alive," Newman said.

Also from the Belle Epoque period is a far more restrained French plant stand, with a wrought-iron frame that suggests vivid red and green branches, leaves and flowers.

A carved mahogany dragon chair is a tour de force of undulation. The dragon's tail forms a headrest, its exposed spine the back and its grinning face the footrest.

"The creature is smiling," Newman said. "When you look at that chair, you feel decadent. If you sat on it, you'd hurt yourself. It was never meant for sitting. Some British lord with a sense of humor may have commissioned it to stand in the corner of his library — daring someone to try it."

According to Kevin Stayton, the museum's curator of decorative arts, the ambiguity of fantasy furniture is part of its charm. His favorite piece in the collection is a late-19th-century Japanese desk with a three-dimensional rendering of mountains, pavilions and a bridge in cinnabar lacquer. "By replacing the desk's superstructure with a dream landscape," Stayton said, "something new and mysterious was created."

The collection represents a delightful addition to the Brooklyn Museum's holdings. And it appeals in people of all ages, even the very young.

NEW YORK FASHION



Marc Jacobs's layered look for Perry Ellis; Ralph Lauren's silk dress over midriff top and pajama pants, and Christian Francis Roth's bell-bottoms.

The Wittiest and Wackiest Shows in Years

By Suzy Menkes
International Herald Tribune

NEW YORK — Throw on the motley and turn up the music. A new spirit of liberation has taken over in this city as designers send out the wackiest fashion shows seen in years.

Instead of regular American sportswear, clothes in multilayers and weird proportions are layered over a bare body to create chaotic chic. Imagine a wispy chiffon coat over a pair of box pants and a midriff-bearing crocheted top, all under a batik-printed jacket and you have an idea of New York's look for next summer.

Designers have a name for this slowly-lovely style: "grunge." That is named for the music of groups like Nirvana that come from Seattle and whose anti-style — as seen on MTV — is their statement. Spike Lee, a front-row fixture at the downtown designer shows wears the fashion symbol of the moment: the pixie pull-on hat.

The movement's wittiest exponent was Marc Jacobs at Perry Ellis. He put crocheted cardigans over denim dresses, or had shrunken poor-boy sweaters reemerging from hipster pants and leaving a torso of hard flesh. Everything was soft and shifting, as a tunic with trumpet sleeves flopped over pajama pants or a long dress printed with pears and cherries was unbuttoned to reveal a length of leg and a heavy ankle boot. For shoes read sandals. Hair was weeping-willow fronds

around the face. It might sound like the hippies, but these were hippies with attitude.

"I don't like labels — it's how you wear clothes today and how the girls look when they come in here," said Jacobs, whose show worked because of its energy. And if you broke down the component pieces — striped pants, a suede jacket or an ornate chiffon blouse — each item would stand on its own. What they expressed was the new softness and lightness both in the choice of fabrics and in the way they were slouched on casually. Jacobs's long lengths, loose pants and brief sweaters and transparent effects were keynotes of the American fashion week.

"You see the hippies but I wasn't born until 1969 and I only know what hippies are from my mother and from Beatles records," said Christian Francis Roth, another designer so into "grunge" that he opened his show with himself in kilted-fleecing cap strumming on a guitar.

The clothes weren't so inventive: striped knits in odd proportions with diagonal stripes flaring into fluted short skirts, bell-bottom pants or trumpet sleeves. But the show hinted at changing fashion with a focus on sleeveless jackets, dresses and sometimes both at once, as a dress with a vest on the front was cut in one piece at the back. The dresses, which should have made more of a statement, came in gores of rough linen in murky off-colors.

The grunge gear at Anna Sui was

more upbeat, but the long lacy dresses, the layered tunics, the crocheted, the fringed shawls, the ombre velvet and the inevitable bell-bottoms all looked suspiciously like Woodstock revisited, with the brushed-plum lips and crocheted caps courtesy of the Swinging London boutique Biba. These dress-from-the-attic looks have yet to prove themselves in the real world, and the same is true for the transparency that is revealing all in New York as in the European collections.

I took Ralph Lauren's mastery collection to bridge fashion's credibility gap. Lauren had made his trim silhouette long and soft and to do so he went back to the 1930s — the original inspiration for 1970s fashion. But his clothes never looked anything but modern.

The show opened with fluid flowery dresses in gauzy prints slung with beads and the label wrapped in a scarf. But throughout Lauren updated the look by adding dark lace to the midriff dresses, slipping pants under a Norfolk jacket elongated to the calf, or making his signature pants into drawstring pajamas. He had the familiar cropped-top baring the midriff, but showed it brief and clingy with horizontal marbled stripes — teamed with vertically striped pajamas.

His layering meant a fringed scarf tied round the hips of a long dress or a bathrobe coat shrugged over a fitted shirt and soft pants. Transparency was just a gauzy

wool skirt to soften a tailored jacket or mesh sleeves peeping from a regular top or chiffon pants. And although the pants were flared, they were never bell-bottoms.

The sound track crooned "I don't know what year it was" and that summed up a show in which bias-cut beaded 1930s dresses blended seamlessly with Nehru shirts and paisley shawls reverberating from the hippie era. Lauren had even loosened up his personal style by taking his runway bow not just in his signature jeans, but also with a stubby beard.

As the new lengths and softness come through as the fashion spirit of the 1990s, established designers have to decide whether to pitch in — or to hold the line. Bill Blass lightened up, putting a billow of organza blouse with pin-striped pants and slipping the vest over bare skin. His soft silk djellabas in Bedouin stripes floating over flowery-printed narrow pants were sophisticated and graceful. But when Blass picked up on the topical transparency, sending out a pin-striped chiffon gown daring to bare the derrière and a black lace dress over visible panties, the effect was embarrassing.

Carolina Herrera made a big statement for wide pants and a neckline for the midriff. Her cropped tops or geometric cutouts and her maxi dresses unbentoned over shorts still kept a ladylike dignity. White crepe, mint green, sugar pink and a print of lagoon blue and sunshine yellow all had a sunny freshness. Arnold Scaasi — famous for making Barbara Bush's inaugural gown — seems an unlikely fashion candidate for America's new first lady.

He stuck rigidly to his peppy prom dresses with stiff piqué skirts, ladylike dresses with picture collars and beaded gowns in vivid colors that he said were inspired by the Matisse exhibition packing them in at the Museum of Modern Art.

For a dose of artistic kitsch you had to be at Todd Oldham's downtown show, where the crowd was so

hip that the show — on a fall-ground theme — seemed like an anticlimax, give or take the drag queens modeling on the runway and the hairstyles as high as false eyelashes were long. Sleeveless vests with shorts and more regular pantsuits were given a fillip with fancy fabrics. Skirts were long but sexy with their slits, lace or crocheted transparency.

But all Oldham's surface decoration — tattoo prints, pinwheel patterns and a hurry-gurdy of harlequin patterns and carnival stripes — could not conceal the fact that ideas were thin at the fairsground.

Now that loosening up is the way to go, the test of sportswear designers is how they handle the new ease. Michael Kors did it well, shifting to the new mood by layering one light coat over another, worn with soft drawstring pants or a long-line midriff tunic over pants.

SOMETIMES there was just a touch of fluidity in a sarong-fitted skirt or the tails of a tunic slit fluttering under a jacket. Everything was easy but not floppy. Eva Chant's beautifully made collection also went with the flow of fashion with her paneled tunics layered over ankle-length dresses, and her straggled pantsuits in sweet colors.

Louis Dell'Ollo at Anne Klein made the current trends seem comprehensible, even desirable, to ordinary folk. His tunic dresses, slit at the sides and worn over narrow pants, fluid crepe jackets, long skirts in gauzy fabrics, sarongis in belted prints and chiffon tunics with a touch of Indian embroidery were a master class in turning the soft look into a hard sell.

Sure he had a supermodel prowling down the runway in an open-work crocheted dress over a flesh-colored G-string. But the rest of the show was for women who may be puzzled that New York fashion should vote down its old regime of simple sportswear in favor of a liberal new fashion spirit.

Jewellery, Snuff Boxes & Silver from the Thurn und Taxis Collections. Hôtel des Bergues, Geneva. 17 NOVEMBER 1992. On exhibition: Geneva - 13 November until the day of sale. Enquiries: David Bennett in Geneva 41 (22) 732 85 85. Sotheby's, 13 Quai du Mont Blanc, CH-1201 Geneva. The illustrated catalogue is available from our offices worldwide or can be ordered by credit card: telephone (234) 841043 (24hr) or fax details on UK (234) 841041 (24hr).

Baker FURNITURE. AN AMERICAN MASTERPIECE. SYMBOL OF QUALITY AND COMFORT. From November 4 to 21, 25% off on sofas, armchairs and selected wood furniture at the Paris show room in the Marais. HOTEL DU GRAND VENEUR - 60, RUE DE TURBINE, 75003 PARIS. Tel. (1) 40 27 04 50 - Fax: (1) 80 01 91 50 - OPEN MONDAY THROUGH SATURDAY 10 AM - 6 PM.

ANTIQUES SHOWS EVERY WEEKEND. FREE ADMISSION. METROPOLITAN ARTS & ANTIQUES PAVILION. 110 WEST 19th STREET NYC 10011. 212. 463. 0200. FOR SALE: JAPANESE EDO & MEIJI PERIOD ARTWORKS. FLYING CRANES ANTIQUES, LTD. 1609 Second Avenue, NYC, NY, 10022. Tel.: (212) 223-6800. YOU SAW THIS AD. So did nearly half a million potential art collectors worldwide. Shouldn't you too advertise in the INTERNATIONAL HERALD TRIBUNE?

Greek Police, Seeking Drugs, Find a Violin. FILIATES, Greece — Greek police hunting for illegal drugs in this border village may have found a musical treasure instead — an 18th-century violin. The instrument, in an old leather case, appeared in good condition and bore the inscription "Antonios Stradivarius 1721," a police spokesman said. It was being sent to the culture ministry in Athens for authentication. Stradivarius, an Italian craftsman who lived from 1644 to 1737, produced about 1,000 violins. The violin was found in a home being searched for drugs in this village near the Albanian border. The owner of the house said he bought the violin and two icons from Albanian refugees. Filiates is a main entry point for Albanians who have fled by foot since the country's Stalinist government crumbled last year. There have been reports of numerous artistic and cultural treasures being smuggled out by Albanians.

RELIGIOUS SERVICES. AMSTERDAM: CROSSROADS INTERNATIONAL CHURCH. BERLIN: INTERNATIONAL BAPTIST CHURCH. BUDAPEST: INTERNATIONAL BAPTIST CHURCH. GENEVA: EV. LUTHERAN CHURCH. LONDON: AMERICAN CHURCH. MOSCOW: MOSCOW PROTESTANT CHAPLAINCY. PARIS: AMERICAN CHURCH. ST. PAUL INTERNATIONAL LUTHERAN CHURCH. TOKYO: ST. PAUL INTERNATIONAL LUTHERAN CHURCH. WASHINGTON: INTERNATIONAL BAPTIST CHURCH.

AMSTERDAM: HAESJE CLAES. BRUSSELS: THE INTERNATIONAL PROTESTANT CHURCH OF BRUSSELS. BUDAPEST: INTERNATIONAL CHURCH OF BUDAPEST. COLOGNE: INTERNATIONAL CHURCH OF COLOGNE. GENEVA: EV. LUTHERAN CHURCH. LONDON: AMERICAN CHURCH. MOSCOW: MOSCOW PROTESTANT CHAPLAINCY. PARIS: AMERICAN CHURCH. ST. PAUL INTERNATIONAL LUTHERAN CHURCH. TOKYO: ST. PAUL INTERNATIONAL LUTHERAN CHURCH. WASHINGTON: INTERNATIONAL BAPTIST CHURCH.

Master of the Provision. Various advertisements and notices on the right margin, including 'FOR SALE' and 'RESTAURANT' listings.



Liotard portrait of an Englishman in Oriental dress; the artist often turned up as a Turk.

Master of Pastel Portraits The Preciseness of an Accidental Swiss

By John Russell
New York Times Service

PARIS — Nothing short of blissful was the recorded life of Jean-Etienne Liotard (1702-89), almost 150 of whose near-miraculous portrait drawings, paintings, pastels and miniatures are on view at the Louvre.

Liotard was a member of that rare but not endangered species, the accidental Swiss. The son of a French couple from Moudon who had come to Switzerland as refugees in 1685, he was born a citizen of Geneva and ended his days back there as a member of the city council.

Almost from the start, he had great opportunities and made the most of them. His work had an ease, a purity and a precision of statement that held connoisseurs captive all over Europe. He could get an almost hallucinatory likeness without calling attention to how it was done. Pastel is a difficult, crumbly, unstable medium, but he made it look effortless.

What we see in the Louvre (through Dec. 14) are portraits, primarily. But many of them are studies, in which a complete milieu is listed and set out in its every detail. The comparison that comes to mind is not with Quentin de La Tour or Rosalba Carriera, gifted pastelists both, but with the interiors of Degas and the young Vuillard.

Liotard missed nothing of what he saw. When he made a drawing in Constantinople of four Turks sitting on the ground and making music together, the result was later saluted as a landmark in our understanding of the Ottoman equivalent of chamber music.

People took to him at first sight, and before long he became known throughout Europe as an artist who told the truth, in his work, with an exactitude from which poetry was not excluded.

He was formed for life by his early years in Geneva. The long, chill shadow of Calvin still hung over the city, but he made the best of it. In particular, he decided to rival in mastery of workmanship the watches, clocks, miniatures and other marvels of exactitude for which Geneva was famous.

In that matter, he had no choice. When his father, a jeweler, was ruined by unwise speculation, Liotard at 20 was apprenticed as a miniaturist and a painter on enamel.

As a draftsman, he was already working toward the ideal that he was to define more than 30 years later in his "Treatise on the Rules and Principles of Art." Drawing was to be "precise, but not dry, firm, but not hard or stiff, flowing, but not soft; and delicate and truthful, but never mannered."

In that endeavor, he never flagged, even when conditions were not of the best. One of the most telling drawings in the show is of a Swiss naturalist called Charles Bonnet. Bonnet clearly didn't want to sit and couldn't be bothered to finish dressing. Liotard didn't even have time to get his wig quite right, but he fixed once and for all the look of discomfort in Bonnet's almond eyes that foretold the onset of blindness.

Much as he enjoyed the company of Geneva's intellectuals, he was eager to see the rest of Europe. This was, after all, the century of the Enlightenment. People were highly particularized and traveled with a certain care.

He could not wait to see for himself the offhand elegance of the Hungarian aristocrat, the silks and crimines of the Turkish savant and the casual darning of the English merchant who penetrated the markets of the Ottoman Empire by passing himself off as a Turk.

As a traveler, he saw all human beings as equal. He took all possible trouble with the anonymous peasant women in the Roman campagna, the Greek dancer with her castanets, the embroiderers bent over their work in Constantinople and the sultan's dwarf in the seraglio.

Rarely did his work fail to give an absolute satisfaction. But just occasionally he saw too straight and set down too much, thereby displeasing the sitters alike, he never lost his feeling for confidentiality.

With Maria Theresa, when she was 45, he went near the edge, in ways made clear by a great novelist, Gustave Flaubert, who saw the portrait in 1848. She still had a pink, fresh look, he said, "but the meat is getting a bit soft and pendulous."

He knew quality when he saw it, however. The expression on her face, he said, was too complex to be put into words, and the intensity of the image won all his admiration.

So far from taking offense at being made to look rather jowly, Maria Theresa asked him to make portraits, identical in size, of 11 of her children. Among them was Marie Antoinette, the future queen of France.

The 11 portraits are all in the Louvre show. Given their doable status — treasured keepsakes on the one hand, and potential evidence in dynastic and pre-nuptial negotiations on the other — Liotard could have fallen back on an acceptable formula.

But he didn't. Each of the upfront little faces, as yet untouched by life, is completely individual. One can see why Maria Theresa loved these pictures and offered to be godmother to Liotard's daughter.

But perhaps it is above all for his self-portraits — each one so strange and so haunting — that most visitors will remember the show. They reveal him as determined, many-sided and not wholly averse to camping it up.

The show as a whole is a triumph for an artist who was long regarded as a minor figure from a minor European city who excelled primarily in the minor medium of pastel. Gross was that error, and glorious the enlarged understanding that this show has to offer.

The show is a joint venture on the part of the Louvre and the Musée d'Art et d'Histoire in Geneva, where it originated.

Hard Times at the Auction Houses

International Herald Tribune
LONDON — The bubble has burst at last. In announcing that its worldwide operations had shown a \$7.7 million loss for the first nine months of 1992 and that it was raising the amount charged to art buyers, to 15 percent on top of the winning bid from 10 percent on all lots up to \$30,000 or \$50,000, Sotheby's has conceded publicly what the professionals had known for more than a year: The auction house is in trouble. To many old

SOUREN MELIKIAN

market hands, the latest batch of measures signals the end of an era. The system in which the executives were recruited from the world of commerce and finance — those who thought that by applying the considerable skills they had displayed elsewhere, indeed the very techniques used in traditional financial establishments, they could revolutionize the auction world — has failed. The idea underlying all the steps they took was that to make the business more profitable, all that was needed was to multiply the number of players — to them it really was a game. To do this, they proceeded to give sales a glitzy look: private viewings, admission by ticket only, catalogues printed on ever glossier (and heavier) art paper, the whole spiel.

They said, and wrote, that art should come back into the market more often (change is fun) and encouraged people who did not have the full amount of cash in the pocket to borrow. Sotheby's would make loans and even accept art as collateral, including the art that the prospective buyers were trying. There were "financing" schemes, "marketing" campaigns and a loud trumpeting of "world record prices," in which they were quick of help from the media. When you know nothing about the art, you can always talk about the money. It gives you an air of bespectacled competence.

There was a tremendous effort to bring as many new buyers as possible under the influence — some would say control — of the auction houses. The new buyers were encouraged to ask the expert in charge how far they should bid, as if it was not in the expert's interest to be able to boast after the sale of having obtained the highest possible price.

For a while, it worked. Prices went up quickly in the late 1980s. By systematically raising estimates by 30 percent from one season to the next, the auction house experts gave the prices an extra surge. As long as the buyers asked the expert how much he thought they should pay, it was all right, particularly if the buyers were kind enough to leave commission bids, which meant that for the auction house the transaction was in the bag even before the auction started. Any additional competition merely raised profits.

The most extreme case of buyer control was illustrated by the largely acclaimed world record price, \$53.9 million, fetched on Nov. 11, 1987, by van Gogh's "Wissers A year later the buyer's name was revealed. It was Alan Bond, the Australian businessman, who would eventually go bankrupt. Later still, it was revealed that the price had never been fully paid. Bond had apparently received a loan from Sotheby's. The picture remained under Sotheby's control and eventually was resold to the J.

Paul Getty Museum at an undisclosed price, but one believed by the trade to be far below the supposed world record price. It was a wholly appropriate symbol of a wholly unhealthy structure.

The system was grinding to a halt when the Gulf War broke out. The "new buyers" vanished as promptly as they had mushroomed. Failures to sell at the incredibly high price level that had been attained partly by artificial means suddenly multiplied. But climbing down on estimates is not an easy undertaking. Department heads fearing to see vendors walk over to the competition in the world system dominated by only two giants, Sotheby's and Christie's, kept giving out estimates that were too optimistic. And art kept failing to sell to a degree that made the sales less and less profitable.

On June 30, Sotheby's sale of Impressionist and Modern Masters in London ended with more than half the paintings failing to find buyers. On July 9, in the auction of European sculpture and works of art, the score was 48 percent unsold. When a work does not sell, it does not bring in much revenue.

In some cases, it can cost the auction house a lot of money. In order to win sales away from the competition, the two big auction houses have taken to conceding "guaranteed prices" to the vendors. Whether the work sells or not, the vendor is assured of cashing in a minimum price, often coinciding with the low estimate. Sotheby's initiated the system and Christie's was forced to follow suit. Sources say that the technique is still used, so desperate are the auction houses to outdo each other. It is ruinous. Of the two, Sotheby's is believed to be owning a larger stock of unsold art (paid to the vendor at the "guaranteed price").

While the volume of sales has contracted, costs have not gone down in proportion. Catalogues are still inordinately luxurious when compared to the 1960s, when there were virtually no color reproductions. In the forthcoming auction of icons, Russian pictures and Russian works of art at Sotheby's, Vasilii Dimitrievich Polevnoi's view of the Sphinx and a pyramid estimated to be worth \$1,000 to \$1,500 is given a color reproduction. So is "Lenny Lenakiy," so obscure that the expert could not even find his first name in time for the printing. His "Boy in a Fez" is also estimated to be worth \$1,000 to \$1,500. "Important sales" are still accompanied by parties, weekend viewings, traveling viewings from Tokyo to Zurich and London.



"Iris," sold in 1987 to Alan Bond.

Sotheby's statement proudly notes that "in the past two decades, Sotheby's has introduced a range of innovations and services." It boasts fine ideas such as "extensive client-service staff providing telephone bidding, condition reports and other advice to potential buyers." But no experienced buyer is really inclined to take advice from the people in whose interest it is to make him pay as much as possible. Indeed, old market hands are careful never to disclose their interest in what they intend to buy.

BIDDING over the telephone through an auction-house employee can be a way of paying more than is necessary. The telephone bidder does not see what happens in the room. He cannot be aware that he may be the only bidder made to go as high as the reserve. More and more experienced buyers sit on their hands during the auction, watch the works they want being bought in and later, when the sale is over, submit a bid at the buy-in price or even less.

Clearly, both auction houses have a lot of rethinking to do. Sotheby's most ominous admission is that its auction operation loses money. Without the joint venture Acquavella Modern Art — set up in May 1990 on a 50-50 basis with the New York dealer Bill Acquavella to buy 3,500 works of art from the Pierre Matisse Gallery inventory and resell them, mostly privately — the net loss it incurred during the first nine months of 1991, \$5.4 million, would have been greater. This year, the loss for the first nine months stands at \$7.7 million because "Acquavella Mod-

the vendor will get a little less from him.

In a telephone interview, Michael Ansie, president and chief executive of Sotheby's Holdings Inc., pointed out that Sotheby's, when negotiating with executors, could compensate for this by bringing down the commission charged to vendors, currently set at 10 percent. (In New York, 20 percent up to \$2,000, 15 percent from \$2,000 to \$6,000, and 10 percent upwards.) But some of the major deals concluded with estates or important single owners are already concluded on a zero-charge-to-the-vendor basis. That leaves no leeway for maneuvering.

If Christie's follows suit, both auction houses stand to lose out on a certain amount to Drouot, where the buyer premium is currently lower and should be set some time next year at 9 percent. There the charge to the vendor practically even out with London. It is because the Anglo-Saxon auction houses are selling fewer high-priced items and more low-priced ones that the operating costs, which are the same for a \$100,000 or a \$1 million painting, keep rising. And it is on low-priced items that their skills at publicizing, attracting buyers from everywhere etc. are least effective and therefore less attractive to vendors. Many of these will therefore settle for the cheaper solution.

Neither Sotheby's nor Christie's is yet out of the woods. A dramatic reduction in costs seems inevitable. That is bound to entail a wave of layoffs, a closure of some of the 88 locations boasted by Sotheby's, a drastic review of the cataloguing style and a host of other nuts-and-bolts measures. Sotheby's statement reads more like a prelude to a crisis than a healthy readjustment.

AUCTION SALES

Contemporary Art (Part I and II)
Christie's New York

18 November 1992 at 7 pm*
and 19 November at 10 am and 2 pm

Viewing 14 November through 17 November

Illustrated catalogues are available through Christie's Publications. To order by credit card please call in London (071) 231 5240 or in New York (718) 784-1489.

Enquiries:

In New York, Diane Upright on (212) 546-1101,
Martha Baer on (212) 546-1144 or
the Contemporary Art department
Tel: (212) 546-1168, Fax: (212) 888-6485
Christie's, 502 Park Avenue, New York, NY 10022

*Admission to the evening sale is by ticket only. For information please call (212) 546-1127.



Andy Warhol, Marilyn, 1962, gold paint and silkscreen ink on shaped canvas, unframed, 17 1/2 x 14 1/2 cm, diameter.

AUCTION SALES

W & A AUCTIONS

Fine Art & Antiques Sale
1st-4th December

Information and Catalogue:
Phone: +46 8 14 24 40.
Fax: +46 8 10 28 45.

One of four Miron items, circa 1720-30, Provenance: They have belonged to the Swedish Queen Ulrika Eleonora (1688-1741).

AR Stockholm Auktionsverk
Jakobsgatan 10, P.O. Box 16256, S-103 25 Stockholm, Sweden.

auktion sales
IN FRANCE

DROUOT RICHELIEU
11, Rue Drouot, 75009 Paris - Tel: (1) 48 00 20 20.

Wednesday, 18 November
Room 7 at 2.30 pm. IMPORTANT XIXth and XXth century PAINTINGS. LOUDMERE, 7, rue de Rome, 75009 Paris. Tel: (1) 44 79 50 50. Fax: (1) 44 79 50 51.

Monday, 22 November
Rooms 5 & 6 at 8.30 pm. IMPORTANT XIXth and XXth century PAINTINGS. Exceptional set of works by Germaine LOUDMERE, 7, rue de Rome, 75009 Paris. Tel: (1) 44 79 50 50. Fax: (1) 44 79 50 51.

Friday, 27 November
Room 2 at 11 a.m. and 2.30 pm. IMPORTANT SALE OF ILLUSTRATED BOOKS, MONOGRAPHS, MODERN AND CONTEMPORARY PRINTS. LOUDMERE, 7, rue de Rome, 75009 Paris. Tel: (1) 44 79 50 50. Fax: (1) 44 79 50 51.

POST AUCTION CATALOGS
Major Auction Houses
Discounted Prices • Free lists
Request areas of Interest

THE AUCTION CATALOGS CO
US: Tel: 415-457-0428
Fax: 415-457-4489

**"ART EXHIBITIONS"
"ANTIQUES"
"AUCTION SALES"**

appear on Saturday

For more information, please contact your nearest I.H.T. representative or
Fred RONAN
181 Avenue Charles-de-Goule,
92521 Neuilly Cedex, France
Tel: (1) 46 37 93 91
Fax: (1) 46 37 93 70

CHRISTIE'S

Antiquorum AUCTIONEERS

Important Auction
"WORKS BY CARTIER"
Magnificent Jewellery, Watches, Clocks and Objects of Vertu

19 November 1992 at 5.30 pm
Hotel des Bergues, Geneva
Under the aegis of Mr. Starbki, huissier judiciaire

EXHIBITION
Monday November 16, from 10.00 am to 6.00 pm
to the day of the sale from 10.00 am to 6.00 pm
and
SILENT SALE
from Monday 16 to Thursday 19 November 1992
from 10.00 am to 6.00 pm

At Antiquorum, Showroom
1, rue du Mont-Blanc, 1201 Geneva.
Tel. (022) 738 02 22, Fax (022) 738 01 71

FOR SALE

The "peace" ticket: The airplane ticket issued to Neville Chamberlain, the onetime British prime minister, for his 1938 trip to meet Adolf Hitler fetched £13,200 (\$20,000) at auction at Christie's. Chamberlain returned from the meeting with Hitler with a signed agreement that Chamberlain heralded as "peace in our time." Less than a year later World War II began.

Recovered loot: Precious stones, jewelry and wristwatches recovered from Britain's biggest robbery will be auctioned next month after their owners failed to claim them. Christie's said it hoped to bring in up to \$230,000 from the sale, which includes unmounted diamonds and a miniature gold replica of a sawed-off shotgun. The proceeds from the sale, Dec. 8 and 9, will go to people whose property was not recovered. The lots were recovered from Valerio Vicco, who masterminded the looting of the Knightsbridge Safe Deposit Center in 1987.

Now fanatics: A 19th-century French violin bow owned by a Swedish collector was auctioned for \$34,100 (\$52,500), Sotheby's said.

COLLECTOR'S GUIDE

COLLECTOR BUYS
ANTIQUE SILVER
PAINTINGS, FURNITURE
AND BOOKS.
PARIS-TEL: (1) 47 37 99 55

**FINE & RARE BOOKS,
LEATHERBOUND SETS.**
(Special \$3 for shipping, returned sale with first purchase.)

IMPERIAL FINE BOOKS
790 Madison Avenue, Room 200
(66th-67th) New York, NY 10022
(212) 861-6220 • Fax (212) 249-0333

WANTED!
**ANDY WARHOL
MARILYN MONROE 1967**
PORTFOLIO OF 10 SERIENGRAPHE
36" x 36", EDITION OF 250 COPIES,
SIGNED AND NUMBERED.
PERFECT CONDITION IMPERATIVE!
Tel: + 49 711 771077
Fax: + 49 711 777 5870

ART EXHIBITIONS

NEW YORK

ODILON REDON
Drawings and Pastels

Through December 5, 1992

MARC DE MONTEBELLO FINE ART
9 East 84th Street
New York, New York 10028
TEL: 212-472-1496 FAX: 212-472-0918

PARIS

ANDRÉ HAMBourg
DRAWINGS
4 NOVEMBER - 23 DECEMBER 1992
GALERIE ÉTIENNE SASSI

69, RUE DU FBG-SAINT-HONORE - 75008 PARIS

NEW YORK

**PRE-COLUMBIAN +
LATIN AMERICAN ART**
Fine Arts of Ancient Lands, Inc.
245 East 57th Street
New York, NY 10022
Tel: 212-685-1234

FRANKFURT

Frankfurt, ARS ANTIQUE
Nov. 07 - Nov. 15, 1992,
Messe Frankfurt GmbH,
phone: +49-69-75756364.

VIENNA

**MAK AUSTRIAN MUSEUM
OF APPLIED ARTS**, Stubenring 5, 1010 Vienna, Austria,
exhibition program: 2.12.-
21.2.1993 Vito Aconcio, sculptural installations, daily 10 a.m. - 6 p.m., Thursday 10 a.m. - 9 p.m. closed Monday.

SANTA FE

NAGEN • DEWEY
SANTA FE
Quality Old
MEXICO + MEXICAN TREASURES
605-898-5088
Est. 1975

MARKET DIARY

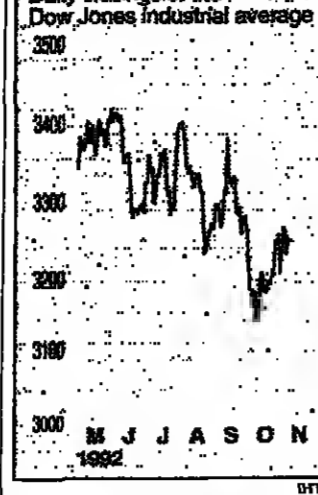
Dow Drifts Lower In Active Trading

NEW YORK — Stocks drifted lower Friday in active trading amid the downward pressure of weaker bond prices and profit-taking. The Dow Jones industrial average, which had rebounded 20.80 points Thursday, dropped 3.78 points to finish at 3,240.06.

SLOW: U.S. Unemployment Slips

(Continued from first page) included a rise in new factory orders last month and a 6.8 percent rise in department store sales from a year ago — when the economy fell out of bed because mass layoffs killed consumer confidence.

The Dow



Dow Jones Averages

Table with columns: Index, High, Low, Last, Chg. Includes S&P 500, NYSE, and NASDAQ.

Standard & Poor's Indexes

Table with columns: Index, High, Low, Last, Chg. Includes Industrials, Utilities, and Bonds.

NYSE Indexes

Table with columns: Index, High, Low, Last, Chg. Includes Composite, Industrials, and Finance.

NASDAQ Indexes

Table with columns: Index, High, Low, Last, Chg. Includes Composite, Industrials, and Finance.

NYSE Most Active

Table listing top trading stocks on the NYSE with columns: Vol., High, Low, Last, Chg.

AMEX Most Active

Table listing top trading stocks on the AMEX with columns: Vol., High, Low, Last, Chg.

NYSE Diary

Table listing market activity on the NYSE with columns: Index, Close, Prev.

AMEX Diary

Table listing market activity on the AMEX with columns: Index, Close, Prev.

NASDAQ Diary

Table listing market activity on the NASDAQ with columns: Index, Close, Prev.

EUROPEAN FUTURES

Table listing European futures contracts including Food, Metals, and Financial.

Stock Indexes

Table listing stock indexes for various countries like FTSE 100, Nikkei, and Hang Seng.

Spot Commodities

Table listing spot commodity prices for items like Wheat, Soybeans, and Corn.

Dividends

Table listing dividend payments for various companies.

Industries

Table listing industry performance metrics.

U.S. FUTURES

Table listing U.S. futures contracts including Grains, Metals, and Lumber.

Grains

Table listing grain futures prices for Wheat, Corn, and Soybeans.

Metals

Table listing metal futures prices for Gold, Silver, and Copper.

Livestock

Table listing livestock futures prices for Hogs and Cattle.

Financial

Table listing financial futures prices for Treasury Bonds and T-Bills.

Food

Table listing food futures prices for Coffee and Sugar.

FTC Fights Sale of Olin Defense Unit

WASHINGTON (AP) — The Federal Trade Commission on Friday sought a court order to halt the merger of the only two manufacturers of certain types of ammunition used by the Defense Department for the Abrams tank and Apache helicopter.

L.A. Times to Cut Edition and Jobs

LOS ANGELES (Bloomberg) — The Los Angeles Times, faced with declining advertising revenue and profit, said Friday it planned to close its San Diego edition and would try to cut 500 jobs by 1993.

TV Report Slams Food Lion Shares

SALISBURY, North Carolina (Bloomberg) — Food Lion Inc. shares fell Friday, but recovered from the day's loss, following a television report that alleged the company routinely sold spoiled food in its stores.

Burden of Bank Rules Isn't Heavy

WASHINGTON (Reuters) — Federal Reserve Board Governor Susan Phillips said Friday that capital regulations for banks did not appear to be overly burdensome.

PAIN: Which Firms Will Suffer?

(Continued from first page) wine producers in the opening round — that is raising concerns. At Merrill Lynch's London offices, analysts have been sent "back to the drawing boards," according to Mike Young, the firm's chief European strategist.

BellSouth, McDonnell Set Job Cutbacks

ATLANTA — BellSouth Corp., which operates telephone companies serving nine southeastern states, said on Friday it expected to trim about 8,000 jobs from its 83,000-employee telecommunications division during the next four years.

WORLD STOCK MARKETS

Table listing stock market performance across various global regions including Amsterdam, Brussels, Frankfurt, London, Milan, and Zurich.

Paris

Table listing stock market performance in Paris.

Hong Kong

Table listing stock market performance in Hong Kong.

Johannesburg

Table listing stock market performance in Johannesburg.

Madrid

Table listing stock market performance in Madrid.

Milan

Table listing stock market performance in Milan.

London

Table listing stock market performance in London.

Sydney

Table listing stock market performance in Sydney.

Tokyo

Table listing stock market performance in Tokyo.

Sao Paulo

Table listing stock market performance in Sao Paulo.

Singapore

Table listing stock market performance in Singapore.

Stockholm

Table listing stock market performance in Stockholm.

Toronto

Table listing stock market performance in Toronto.

Zurich

Table listing stock market performance in Zurich.

Stockholm

Table listing stock market performance in Stockholm.

Stockholm

Table listing stock market performance in Stockholm.

Stockholm

Table listing stock market performance in Stockholm.

Stockholm

Table listing stock market performance in Stockholm.

Stockholm

Table listing stock market performance in Stockholm.

Stockholm

Table listing stock market performance in Stockholm.

Stock Indexes

Table listing stock indexes for various countries like S&P 500, Nikkei, and Hang Seng.

Spot Commodities

Table listing spot commodity prices for items like Wheat, Soybeans, and Corn.

Dividends

Table listing dividend payments for various companies.

Industries

Table listing industry performance metrics.

U.S. FUTURES

Table listing U.S. futures contracts including Grains, Metals, and Lumber.

Grains

Table listing grain futures prices for Wheat, Corn, and Soybeans.

Metals

Table listing metal futures prices for Gold, Silver, and Copper.

Livestock

Table listing livestock futures prices for Hogs and Cattle.

Financial

Table listing financial futures prices for Treasury Bonds and T-Bills.

Food

Table listing food futures prices for Coffee and Sugar.

Partial Share Profit... NASDAQ Friday's Prices

German Firms to Build Taiwan Industrial Zones

TAIPEI — A German-Taiwan consortium will invest \$2.7 billion to build two industrial zones in western Taiwan, the first to be constructed on the island by foreign concerns, government and company officials said Friday.

Six German companies, led by Ed Zublin AG, Germany's second-largest construction concern, will take a 30 percent stake in the venture. Ke Ding Development & Construction Co. of Taiwan will own the rest.

The consortium will develop two industrial zones covering a total area of 2,780 hectares (6,815 acres). The project will include reclamation of coastal land and construction of a dam, a bridge and roads. Construction is expected to begin next year after government approval and to take six years.

Taiwan has about 50 government-financed industrial zones and a number of other zones built by the private sector. (Reuters, AFP)

Foreign Investment Falls

New foreign investment in Taiwan plunged 32 percent from a year earlier to \$1.07 billion in the first 10 months of this year, Reuters reported from Taipei.

The government's Investment Commission said projects by U.S. companies dropped 71 percent to \$159 million, while Japanese investment fell 21 percent to \$352 million. Among major foreign investors, only Hong Kong showed an increase, with a jump of 64 percent to \$152 million.

Japanese Shipper Shows Profit Rise

TOKYO — Japan's largest shipping company, Nippon Yusen KK, announced Friday a modest rise in earnings in the six months to September, but four other major Japanese lines suffered steep profit falls.

NYK said that its pretax profit grew 6.2 percent from a year earlier, to 7.1 billion yen (\$59 million) in the period. Revenue rose 8.7 percent.

Mitsui OSK Lines Ltd. said profit fell 15.7 percent to 2.6 billion yen despite a 2.4 percent rise in revenue. Profit at Kawasaki Kisen Kaisha Ltd. plunged 63.9 percent to 539 million yen, with revenue down 1.7 percent. Nippon Yusen KK said its profit fell 24.4 percent to 1.2 billion yen, with revenue down 17 percent. Shunwa Line Ltd. said its earnings dropped 58.8 percent to 317 million yen. Revenue was down 9.2 percent.

Big Tax Bill Tokyo Resumes Aid to Hanoi

Sinks Stock Of Westpac

SYDNEY — Shares in Westpac Banking Corp., the Australian banking giant, plunged to a nine-year-low Friday as disenchanted investors reacted to the bank's decision to slash its final dividend after yet another financial shock.

The shares closed at 2.51 dollars (\$1.75), down 24 cents. At one point Friday, the stock stood at 2.39, its lowest level since September 1983.

Westpac said a day earlier that it might cut its final dividend for the year to Sept. 30 to as low as 6 cents a share, down from the 12 cents per share predicted in a rights issue prospectus in July, after discovering it had underestimated its U.S. tax bill.

The tax liabilities involved a charge of about 115 million dollars related to interest-rate and currency swaps and forward contracts.

Yamaha Profit Plunges 44%

TOKYO — Yamaha Corp., the world's largest maker of musical instruments, reported Friday a fall of 43.7 percent in current profit to 3.9 billion yen (\$31.7 million) for the half-year ended Sept. 30.

Despite the result, the company raised its profit forecast for the year. Sales for the half-year were down 11.2 percent to 181 billion yen, better than expected but depressed by a slump in sales of pianos, electronic organs and audio equipment, which make up more than one-third of revenue. But revenue from electronic and other musical instruments was higher, as were sales of other electronic items.

Yamaha raised its profit forecast for the year from 3 billion yen to 3.5 billion yen, but trimmed its sales projection from 345 billion yen to 340 billion yen.

Investor's Asia

Market	Index	Change
Taipei	8,000	+100
Manila	1,200	+20
Hong Kong	10,000	+500
London	2,000	+20
New York	3,000	+100
Sydney	4,000	+100

AMEX

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low
27 1/4	27 1/4	AA	1.14	2.23	34	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4
27 1/4	27 1/4	AA	1.14	2.23	34	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4

NYSE

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low
27 1/4	27 1/4	AA	1.14	2.23	34	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4

Investor's Asia

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low
27 1/4	27 1/4	AA	1.14	2.23	34	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4

ST COLUMN

oping
change Is
for the Be

Live

Ma

NEW Fidelity

Discount commis
brokers

Securities and mu
US, UK, European
stock markets

Multi-currency Me

Dedicated dealers

Call (44)
UK Callfre
9am - 9pm
Fax (44) 752

THE REPORT

FIRST COLUMN

Hoping Change Is For the Best

WHATEVER anyone thinks of the outcome of the U.S. presidential election this past week, just about everyone can agree that the end of the year-long campaign with relief. That's certainly the case for investors. Sure, the markets had pretty much discounted for a Clinton victory over the past month, pushing up interest rates and the dollar and dumping drug stocks for cyclical and infrastructure plays. But uncertainty couldn't be laid to rest until the votes were counted.

Now that markets know the devil they'll be dealing with for the next four years, it's time to assess how campaign promises might be turned into government policies. Already, the New York-Washington corridor is humming with activity as Wall Street insiders seek insight from and jobs with, the Clinton team. Until the substance takes shape, there is grounds for optimism.

THE first is that the markets themselves will play a big role in shaping policy. Mr. Clinton's need to carry favor with the bond market to keep rates down is the best insurance against a deficit-busting program run amok. Then, too, there is the Clinton emphasis on tackling America's structural problems of exploding health-care costs, poor education and insufficient investment, among others. His proposals may be vague or controversial, but no one doubts that those areas are crucial to the country's long-term health. And one can hope that Mr. Clinton's promise of continuity in foreign affairs will include a commitment to finishing a global trade deal.

But as none of these efforts will produce tangible results overnight, the near-term outlook rests on the intangible: psychology. The most pernicious aspect of today's slump is its self-propelling nature. Companies are competing to cut jobs and costs and consumers are holding back to pay off debts and build up savings. Fear begets retrenchment begets yet more fear.

Breaking this cycle could do as much as anything to turn things around. Can Mr. Clinton deliver? He did ask for a mandate, for change, and the people gave it to him. That fact alone could produce a change in sentiment.

The best hope today may be hope itself.

Judging Clinton by Bond Market

By Tom Buerkle

FINANCIAL markets have gotten accustomed to the idea of a President Bill Clinton, so it was no surprise that the event itself got little reaction this past week.

The consensus view that a Clinton spending program will mean firmer interest rates and a stronger dollar have already had an effect on those markets. The consensus also sees a mixed outlook for stocks over the medium term, which would agree with past experience as the graph at the right shows.

But is Mr. Clinton's mandate for change something investors can welcome for the long haul? At the extremes, the scenarios painted by investment analysts range from a repeat of the early Reagan years, when an expansive fiscal policy boosted growth, stocks and the dollar, to a replay of the Carter era, with surging interest rates, weakness in the dollar and stocks, increased regulation and economic stagnation.

It may be months before Mr. Clinton can turn a vague campaign platform into a coherent government program, but clues about the outcome — and its implications for investors — should be apparent in coming weeks.

"Most important to me is going to be who they appoint," said Robert A. Brusca, chief economist at Nikko Securities in New York.

Just about everybody agrees that naming Paul A. Volcker, the former Federal Reserve Board chairman, to be Treasury secretary would give a big boost to markets by reassuring investors that any stimulus package would be moderate and would not worsen the deficit in the long run. But equally, analysts agree that a Volcker appointment is highly unlikely: His independence and stature may be too much of a constraint on the new president.

Margo L. Vignola, a Salomon Brothers analyst, said she hopes for the appointment of "active, aggressive" people with solid reputa-

tions on Wall Street, such as Robert E. Rubin, Goldman Sachs' vice chairman. If top policy jobs go to "just Carter rebrands, people will be disappointed," said H. Erich Heinemann, chief economist at Ladenburg Thalmann & Co.

One such person is C. Fred Bergsten, a Treasury undersecretary under Mr. Carter who has advocated a weaker dollar against the yen to cut the trade deficit with Japan. "It would be an immediate dollar free-fall if Fred Bergsten gets a cabinet position," said David D. Hale, chief economist at Kemper Financial Services.

Whoever is appointed, analysts say the bond market will be the ultimate judge of the Clinton program and program. Indeed, the expectation of an early Clinton spending package to jumpstart growth was behind the recent rise in bond yields and subsequent rise in the dollar.

"The markets are right to assume a fiscal package that will prove to be fairly supportive" of the dollar, said Avinash Persaud, currency economist at UBS Phillips & Drew in London. "The combination of fiscal expansion and a fairly tight monetary policy, reminiscent of the early 1980s, will be sufficient to allow the dollar to recoup its currency undervaluation." That would take the dollar to 1.65 Deutsche marks by year-end, he predicted, and 1.72 DM in the first half of next year. If Mr. Clinton hits Washington with a dramatic 100-day program, the dollar could even see 2 DM, he added.

Mr. Clinton has talked about a \$20 billion-a-year spending boost targeted at infrastructure. A Rama Krishna, strategist at First Boston, said the bond market could handle that. But he sees economic weakness leading to a bigger first-year spending package of \$40 billion. That, he asserted, would drive the yield on the Treasury's 30-year bond up to 8 percent, which would curb growth nearly as much as spending boosts it.

Stocks should decline as the weak economy limits corporate profit growth to about 3.5 percent, well below expectations, Mr. Krishna said. Like most analysts, he favors cyclical, capital goods and technology stocks — names

like Caterpillar, Cummins Engine, Chrysler, Intel and Motorola. Although they have already had a pre-election run, they should "outperform in a down market," he said. Stocks to avoid include the brokers, he added, as weak markets and limits on deductions for executives pay over \$1 million will hit the likes of Morgan Stanley, Merrill Lynch and Salomon Brothers.

Mr. Heinemann is more bearish on bonds. Even under President Bush, he says, federal spending excluding defense and interest has been rising by 10 percent a year. He figures that can only increase under Mr. Clinton. What's more, that spending will collide with what he claims is a very loose monetary policy — U.S. bank reserves are up 20 percent in the past year.

"There is a major confrontation coming between Greenspan and Clinton," Mr. Heinemann said. "The Fed is just printing so much money there is no way for financial prices to go down. At some point, Alan Greenspan is going to take the punch bowl away."

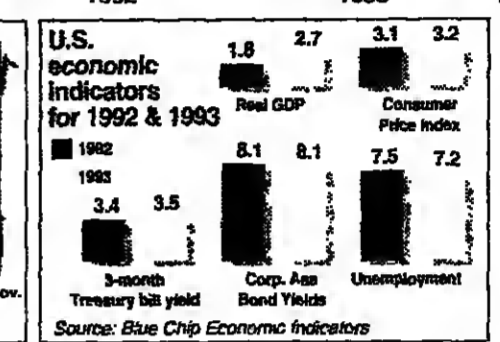
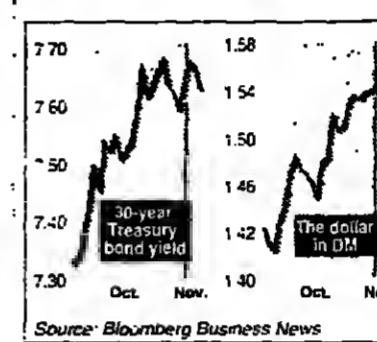
The market's hangover, Mr. Heinemann believes, will come in the form of a 1.5-point jump in short-term rates, now just below 3 percent, and a nearly 1-point rise in long rates, to about 8.5 percent. Higher rates should curb stocks, he added, even though growth is likely to accelerate to 4 percent next year. And there is likely to be a blitz of "implicit corporate taxes" in the form of regulations on health insurance, job leave, worker training and the environment.

Mr. Brusca of Nikko is more sanguine. "I don't think he's going to be half as bad as the markets are discounting at the moment," he said. What will be bad, he said, is the economy. Despite the blip in third-quarter growth, consumer and business sentiment continues to fall, incomes and hours worked are declining and exports are only beginning to reflect the deepening slumps in Europe and Japan, he said. As for the Clinton spending package, "you're going to be waiting at least eight months or more for fiscal stimulus."

The result will be a plunge in long bond



Clinton Effect?



Source: Bloomberg Business News

Source: Blue Chip Economic Indicators

yields to 30-year lows of 6.25 percent to 6.50 percent in the first half of next year, a move that will boost stock prices, Mr. Brusca predicts. The real test for Mr. Clinton will come later next year, when growth should pick up quickly. "The question is, after you turn the economy around, can you convince people that you can get the deficit under control?" he said.

Of course, all the emphasis on the Clinton program might be giving him too much credit, Mr. Krishna of First Boston says the structural

forces behind today's slump extend far beyond the president-elect's reach. In addition to the weakness in Europe and Japan, he cites the prospect of a full-scale trade war, an entrenched cost-cutting psychology in business generally and a surfeit of low-cost labor in Asia, Latin America and Eastern Europe.

"Clinton is as good as anybody you could have got as far as the economy is concerned," Mr. Krishna said, but "Clinton really isn't the most important factor in the market."

Outside U.S., Hopes for Growth Duel With Fears on Taxes and Trade

By Katherine Burton

EUROPEAN business leaders say they are optimistic Bill Clinton's victory will spur growth, but analysts and fund managers say Mr. Clinton's proposals to cut health-care costs and lift U.S. barriers on foreign companies, along with fears of a more protectionist trade stance, could squeeze profits at some European and Asian companies.

One sector that stands to benefit, however, is construction. European firms may cash in on

the president-elect's pledge to invest heavily in U.S. infrastructure.

French companies exposed to the United States, like Saint-Gobain, Lafarge, Coppel and road-builder Colas, have gotten a boost from hopes of benefits from a U.S. spending program. But Chris Tinker, head of European equity strategy at Credit Lyonnais Laing in London, cautioned that many projects have already been budgeted and the new administration will merely move them forward.

Robert Fitchard, director at Kleinwort Benson Investment Management in London, said the general perception among investors is that

"Clinton is distrustful of the profit margin of pharmaceutical companies."

Analysts said companies most susceptible to attempts to curb the growth of U.S. drug prices include Britain's Glaxo Holdings and Swiss companies Roche Holding and Ciba-Geigy, which rely on a heavy percentage of U.S. sales. France's Rhone-Poulenc should fare better because it sells many products over the counter, where price curbs would not apply.

The Democrat's plan to raise \$45 billion over four years through tougher tax enforcement on foreign firms also has caused worry. Analysts say that could hit giants like Britain's Hanson

PLC and BTR PLC, the Anglo-Dutch Royal Dutch/Shell and Unilever and France's Michelin.

Some economists, however, say they doubt Mr. Clinton's effort would bring in more than \$3 billion a year, as opposed to his goal of \$9 billion to \$13 billion annually.

Mr. Clinton's campaign talk against foreign ownership of airlines suggests he could hold up British Airways' plan to acquire a 44 percent stake in USAir. But some analysts argue that once in office, Mr. Clinton will soften his view. "I think Clinton's protectionism is limited," Mr. Tinker said. "He is eager to see that GATT

held up by the U.S. and he would like to see someone able to break the deadlock."

Nor does the Hong Kong market seem overly concerned about a future Sino-U.S. trade despite Mr. Clinton's talk of linking Chinese trading privileges to its human-rights record. Indeed, the market hit a record high Thursday.

"Although investors are concerned about the long-term potential threat of increased protectionism, the market is concentrating on today's realities, which are a booming economy in China and a lot of local liquidity in the market," said Bill Murray of Baring Securities in London.

Living Away From Home? Now There's An Easy Way To Trade In Markets Worldwide. Fidelity International Investor Service. Fidelity's new International Investor Service is unique and well suited to the needs of expatriates and international investors. It offers independent-minded investors access to a broad range of mutual funds plus securities trading worldwide, all through one convenient brokerage account. And all this at a discount over full cost stockbrokers. Uninvested cash balances are automatically swept into a Money Market Account and earn competitive interest rates in the currency of your choice. As part of one of the US's largest investment management groups, you can trust Fidelity Brokerage to have the resources and expertise you need. For more information and the free Your Guide to World Stockmarkets call Fidelity NOW.

1992 The World's Rendezvous with Europe. On December 14th, the 32nd — and final — installment of the IHT's highly acclaimed series of advertising sections on the New Europe will focus on THE SINGLE MARKET. Among the topics to be covered: Views from the boardrooms of 10 leading companies and banks. Integrating the EC's neighbors to the east into the single-market process. The implementation of EC decisions. Measuring the progress in key sectors and issues targeted under the 1992 program. A look at what remains of Comecon and ties to the former Soviet Union. For advertising information, please call Juanita Caspari in Paris at (33-1) 46 37 93 76. Herald INTERNATIONAL Tribune. Published With The New York Times and The Washington Post.

THE MONEY REPORT

For Some U.S. Defense Stocks, the Outlook May Only Get Brighter

By Philip Crawford

DESPITE the widely held view that Democratic presidents have a positive effect on U.S. armaments makers, analysts say the defense industry should do about as well under President Clinton as it would have done under a re-elected George Bush. Not so good, that is, but with a few bright spots.

The ending of the Cold War plus mounting public pressure to concentrate spending on defense affairs will continue to mean fewer defense outlays, just as it has since President Bush took office, experts say. Many note that there were only marginal differences in the military proposals laid out by Mr. Bush and Mr. Clinton during the campaign. Mr. Bush, for example, had called for defense spending of \$142 billion over the next five years, while Mr. Clinton had advocated a \$136 billion budget, a gap of less than 5 percent.

"To the defense industry, the difference between the two candidates was very small," said Howard Rubel, an analyst with C.J. Lawrence in New York. "Bush has already reduced the production of combat aircraft from 800 per year to about 260 since he took office, and that's just one instance of his own cutbacks. In more than a few areas, there's frankly not a lot left for Clinton to cut."

Despite the generally low expectations for the defense industry, there are certain compa-

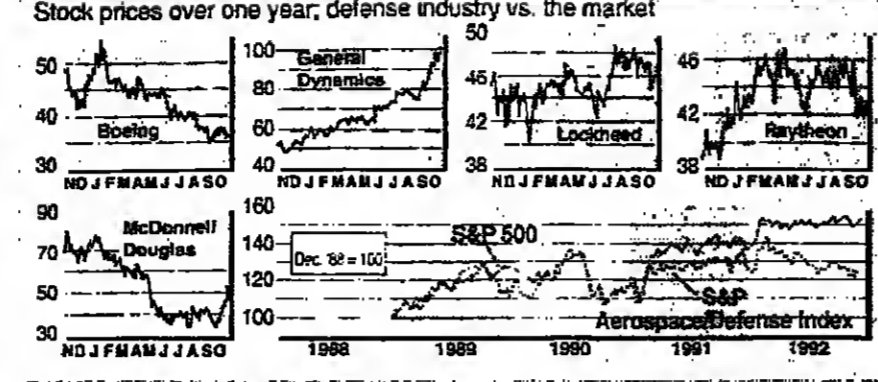
nies that remain attractive to investors, Mr. Rubel says. Other analysts concur, although opinions vary as to which shares are good buys. General Dynamics Corp. is being touted by many analysts because of its streamlining efforts and strong earnings. To cope with the new defense climate, the Virginia-based company has been selling off divisions such as missile systems and electronics in order to concentrate on the manufacture of armored vehicles, nuclear submarines, tactical aircraft and space launch systems. The core businesses, moreover, have been performing well. In the third quarter, aircraft sales rose 23 percent from a year earlier to \$304 million while space systems revenue climbed 158 percent to \$163 million.

"The trend in the industry has been toward consolidation, by necessity," said Cai von Rumohr, a defense analyst with Cowen & Co. in Boston. "General Dynamics was one of the first companies to perceive that and to do something about it. That strategy will continue to stand them in good stead."

Investors have already taken notice of General Dynamics, as evidenced by a rally in the company's share price over the past six months from a low of \$63 in mid-May to its current level of about \$101. That's precisely what is turning some analysts off now. "I'm negative on it," said George Podrasky of Duff & Phelps in Chicago. "It's had its run. It's too expensive."

There's been talk on the industry grapevine that General Dynamics is considering selling off even its military aircraft division to Lockheed Corp., or a combination of Lockheed and Boeing Co., although sources say that no serious talks have yet taken place.

Defense Stocks Adjust to Leaner Times



Sources: DataStream, Bloomberg Business News

pany won a \$688 million U.S. Army contract to build the Theater High Altitude Area Defense missile, designed to intercept incoming enemy missiles.

"Lockheed is focused on cash flow and is well positioned for the future," said Mr. Rubel of C.J. Lawrence. "They've got the F-22 in research and development, which may become the country's front-line fighter aircraft, and they're also in competition for several other funded programs."

Seattle-based Boeing is a favorite of some analysts, partly because Congress has appropri-

ated funds through September 1993 for several of its defense projects, including the B-2 bomber, the RAH-66 Comanche helicopter and the V-22 Osprey tilt-rotor aircraft. Also, Boeing recently won a \$588 million U.S. Navy contract to build 120 wingsets for the A-6 attack plane.

"Boeing is my top choice," Mr. Podrasky said, "but a lot of that recommendation is based on its commercial business. The U.S. airlines have been performing poorly for investors, and investor psychology is down on Boeing, but I think that will turn around as the economy improves." Boeing reported third-quarter earnings of \$1.2 billion, or \$3.69 a share, up from \$1.1 billion, or \$3.39 a share, in the second quarter.

Raytheon Co., manufacturer of the Patriot missile, also is getting the nod from some analysts, mainly because of foreign interest in its missile products. Two large orders are expected to be finalized before the year's end — a \$1.7 billion Saudi contract and \$1.2 billion deal with Kuwait, both for Patriot and Hawk missiles.

"Raytheon's attractive for a couple of reasons," Mr. von Rumohr said. "First, I do think the Saudi and Kuwaiti deals will go through, which will help the company considerably. Secondly, the stock has been doing poorly for a couple of years and I think it's overdue."

Raytheon common shares are currently trading around \$44, down from a 1992 high of \$46.75. Despite some encouraging signs, few experts are recommending shares in McDonnell Douglas Corp., another prime supplier of military aircraft. The company recently reported a

third-quarter loss of \$15 million, or 39 cents a share, after it took a \$269 million pretax charge for strengthening the wings on its C-17 military transport plane.

Analysts say that the C-17 debacle was ultimately because the company had an otherwise stellar quarter, with increased earnings in other military aircraft programs such as the Hornet attack plane and the Apache helicopter. Excluding the writeoff, as well as a gain from the sale of a nonrelated business unit, McDonnell Douglas would have earned \$152 million in the third quarter, or a record \$3.33 a share.

Nevertheless, many analysts remain worried over the outlook for McDonnell Douglas's commercial aircraft division. With a mere 12 percent of the industry backlog of commercial jets, the division continues to trail in the exhaust fumes of Boeing and Airbus Industrie, the European consortium. The future has been clouded further by the collapse of a bid to sell 40 percent stake in the division to Taiwan Aerospace Corp. for a much-needed \$2 billion.

Based in Long Beach, California, McDonnell Douglas's commercial division already has laid off 8,500 workers since January.

"The layoffs and other cost-cutting measures have helped the bottom line, but their wide-body jet, the MD-11, is still losing money," said David Jones, an analyst with Paul & Co. in St. Louis. "I rate their shares between a 'hold' and a 'sell,' but that recommendation would change for the better if they sold their commercial aircraft division."

ADVERTISEMENT

INTERNATIONAL FUNDS

Nov. 6, 1992

Table listing various international funds with columns for fund name, currency, and price. Includes sections for International Income Funds, International Equity Funds, and International Bond Funds.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

ZURICH • GAYMAN ISLANDS • BRITISH VIRGIN ISLANDS • BARBADOS • TORONTO • TAIPEI • HONG KONG • SEATTLE • LONDON • VIENNA • TOKYO • ISLE OF MAN • AMSTERDAM • JERSEY • DUBLIN • ST. LOUIS • VANCOUVER • MONTREAL

Royal Trust Opens Up The World To You.

Welcome To Royal Trust's Open World Service.

Our Business. The International Protection And Performance Of Private Capital. Our Promise. We Can Make A World Of Difference.

Royal Trust International, Limmatquai 4, CH-8024 Zurich, Switzerland Phone 41-1-261-9606 Fax 41-1-252-9422

This Way To Open World. Call us Fax us. Or mail in this coupon. We'll send you our Open World Information Package. It's an eye-opener. It's a world-opener. Name, Street, City, Country, Postal Code, Tel, Fax. ROYAL TRUST OPEN WORLD SERVICE. Limmatquai 4, CH-8024 Zurich, Switzerland. PHONE +41-1-261-9600 FAX +41-1-252-9422

DAVE BARRY

Roll Over Neil Diamond

M IAMI — In a recent column I noted that certain songs are always getting played on the radio, despite the fact that these songs have been shown, in scientific laboratory tests, to be bad. One example I cited was Neil Diamond's ballad "I Am, I Said," in which Neil complains repeatedly that nobody bears him, "not even the chair." I pointed out that this does not make a ton of sense, unless Neil has unusually intelligent furniture. ("Mr. Diamond, your Barcelona is on line two.")

Well, it turns out there are some major Neil Diamond fans out there in Readerland. They sent me a large pile of hostile mail with mouth from spewing out of the envelope seams. In the interest of journalistic fairness, I will summarize their main arguments here: "Dear Pukonose: "Just who the hell do you think you are to blah blah a great artist like Neil Diamond more than 30 gold records blah blah how many gold records do YOU have, you unsung scumwad of blah blah I personally have attended 1,794 of Neil's concerts blah blah What about "Love on the Rocks"? Huh? What about "Cracklin' Rosie"? Huh? What about ONE-TENTH of Neil's talent blah blah so I listened to "Heartlight" 40 times in a row and the next day the cyst was GONE and the doctor said he had never seen such a rapid blah blah What about "Play Me"? What About "Song Sung Blah"? Cancel my subscription, if I have one."

So we can clearly see that music is a matter of personal taste. Person A may hate a particular song, such as "Having My Baby" by Paul Anka (who I suspect is also Neil Sedaka), and Person B might love this song. But does this mean that Person B is wrong? Of course not. It simply means that Person B is an idiot. Because some songs are just plain bad, and "Having My Baby" is one of them, and another one is "Bad, Bad Leroy Brown."

Knights-Ridder Newspapers

It's Been a Baroque Year in France

By John Rockwell

PARIS — Little in Alain Corneau's background would suggest a phenomenon like his latest film, "Tous les matins du monde."

After years of watching Hollywood spectacles dominate the French box office, the film industry here can finally cheer one of its own. And French intellectuals can indulge in self-congratulation that a movie with as rarefied a subject as 17th-century French viol players could top the charts.

Since its opening in December 1991, more than 2 million tickets to "Tous les matins du monde" have been sold in France alone, nearly 700,000 of them in Paris — remarkable numbers for a non-American film.

"Tous les matins du monde" has been bought in 31 countries; it has been especially popular in Argentina, where it was the No. 1 film in its first week.

When the French Oscars, called Césars, came around this year, Corneau's work was nominated for 11 prizes and won 7, including those for best film, best director and best music.

Pascal Quignard's novel by the same name was published last winter and became a best-seller. The sound track, overseen by the violist Jourd'heuil, has sold 210,000 copies in France. Soon after its release, in December 1991, the recording hit No. 2 on the sales charts, where it stayed for nearly two months, displacing all but Michael Jackson.

Despite its exotic subject — the relationship between the Versailles court composer Marin Marais and his teacher, Monsieur de Sainte-Colombe — this is a film with heart, perhaps too much for the sake of historical fidelity to the true spirit of the 17th century.

The film may owe its success to its romanticism, its overt confrontation with the extremes of human feeling refracted through the stern conventions of three centuries ago.

"Many people got emotional about this film, and that made it possible for it to escape cult status," speculated Corneau, who is best known in the United States for directing police thrillers.

"Tous les matins du monde" also came along when French Baroque music was attaining a new popularity here and helped fuel that popularity. The style languished for centuries after Jean-Jacques Rousseau damned it as cold and unfeeling. French people today find sympathetic the music they once ignored, and fine performers — many of them foreigners, like the American William Christie and the Catalan Xavi — have had much to do with that.



Gérard Depardieu during filming of "Tous les matins du monde."

The director also thinks that his film spoke to a new, emerging generation of intellectuals.

"Our generation is in their 40s and 50s," said Corneau, 49. He spoke in an elegant, two-story, beamed living room, its walls lined with books and its furnishings Indian, in a 17th-century apartment in the fashionable Marais district of Paris.

He shares the apartment with the director Nadine Trintignant, who is still the wife of the actor Jean-Louis Trintignant. "It's not organized, not political, not a movement; no one has written a manifes-

matter. It opens with a five-minute close-up of Gérard Depardieu's powdered face, puffy and lined, framed by a wig and adorned with beauty mark. He speaks, and tears cut through the makeup.

Depardieu plays Marais, a court composer to Louis XIV. For most of the film, Marais as a youth is depicted by Depardieu's 21-year-old son, Guillaume. But the principal character is Monsieur de Sainte-Colombe, played by Jean-Pierre Marielle. Little is known of this reclusive composer (including his first name and the dates of his birth and death) other than a few surviving viol pieces and the fact that he was Marais's teacher and shunned worldly success.

The approach throughout the film is almost minimalist. Corneau plants his camera and lets it observe the action. The settings are a country house, except for one church interior and one scene of secular glory, when Marais conducts a march by Lully for 40 brass and percussion players. That moment was filmed in the Banque de France in Paris, whose lobby dates from the Louis XV era and looks like a grand room at Versailles.

But most of the time, Corneau focuses on intense inner emotions or on music making. Much of the film finds Sainte-Colombe, his two daughters and Marais playing the viol, or viola da gamba (big viol), with that instrument's singing, laments and sensuous, ornamental phrases filling the ear and heart.

Quignard, speaking from his office at Gallimard publishers, where he is an editor, said he had nothing to do with the film after working on the script. He did go to the location in central France, but for just one day. He said he ultimately preferred his novel to the film, because in the literary medium, "there are no visual limits to the imagination."

Since the film's release, sales of recordings and of tickets to performances of French Baroque music have exploded in France. The film's success would seem also to have boosted government patronage of Baroque music.

In February, the Ministry of Culture decided to allot \$800,000 to an annual Festival of Baroque Music at Versailles. Pascal Quignard is president of the festival's board.

But if the film had all this influence, did it attain it by truly conveying the spirit of the 17th century or by romanticizing it beyond recognition? "The film expresses strong emotions, close to romanticism," Savall said. "What is romanticism? It is an artistic means of giving expression to these feelings. And that can be found in Baroque music and painting."

PEOPLE

Straight From Palace, Diana Answers the Tally

In a rare public statement issued by Buckingham Palace, Princess Diana on Friday criticized the press for articles about her relationship with her in-laws, Queen Elizabeth and Prince Philip. "The suggestion that they have been anything other than sympathetic and supportive is untrue and particularly hurtful," she said. Diana had just returned from a visit to South Korea in which the state of her marriage to Prince Charles was picked over endlessly by the British tabloid press. "A palace aide has acknowledged for the first time that Charles and Diana's marriage is troubled. The Sun quoted Charles's deputy private secretary, Peter Westwood, as saying, 'No, I am not saying the marriage is a happy one, but the treatment is unfair and exaggerated. They have been put under terrible pressure by the continual stories about their marital problems.'"

Sylvester Stallone, Clark Kent, James Bond and Lois Lane are all listed in the 1992 Brisbane telephone directory. S. Stallone, Rambo Street, C. Kent of Krypton Street, L. Lane of Planet Street and J. Bond of Agent Boulevard. Telecom Australia said such members being trained to handle customer inquiries had made up names for numbers in the suburb of Nundah that had not yet been allocated.

Not banned in Cincinnati: A sheriff's investigation in the city where an exhibit of Robert Mapplethorpe's photos led to a trial had concluded that Mapplethorpe's book "Sex" isn't obscene. The Cincinnati authorities received national attention for their efforts to prosecute the Contemporary Arts Center in 1990 over the Mapplethorpe exhibit.

The former tennis star Bjorn Borg has been ordered to pay \$15,000 a month for three years to Lovanna Berte, the Italian pop singer, as part of their divorce case. Berte sued Borg in Rome after the player filed for divorce in a court in his native Sweden. They were married in September 1989.

International Classified Appears on Pages 5, 6 & 7

WEATHER

Weather forecast section including maps for Europe, North America, Asia, and Oceania, with temperature and precipitation data for various regions.

Castaways By Nancy Scandrett Ross

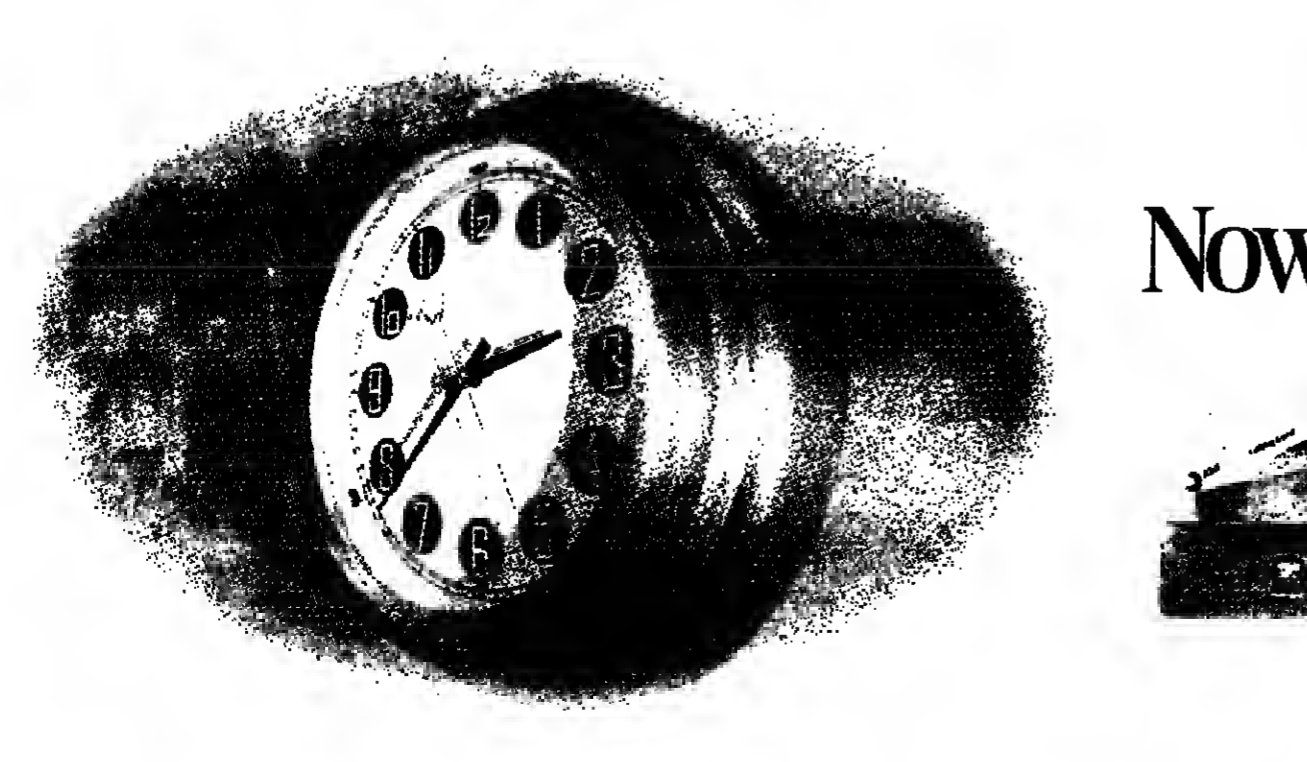
- ACROSS 1 Flower from the Vosges 5 Recondite 9 Alphabetical segment 14 Father c'Wm, 18 Farewell 19 Kind of history 20 Bizarre 21 Moss or Gary 22 Hummable pieces 23 Hindu deity 24 MAY 26 SCOTT 29 Novelist V.L.P. 30 Blackberry drupelets 31 Fraternity letters 33 Paella 35 A president of 174 Down 37 O.T. book 38 Rams' dams 39 Arrest 40 Surrey town famed for chickens 42 To be, in Aix 43 Kandinsky's output 46 Shea section 48 Banking abbr. 49 Ike's opponent 51 "Death be not..." Donne 53 Rusty-gate sound

Crossword puzzle grid with numbers and some filled-in letters.

BOOKS

LATINOS: A Biography of the People By Earl Shorris. 520 pages. \$25. W. Norton. Reviewed by Christopher Lehmann-Haupt EARL SHORRIS'S "Latinos: A Biography of the People" is a large baggy book that strives to give readers a sense of the diversity and complexity of the fastest growing U.S. minority, which comprises Mexican-Americans, Cuban-Americans, Puerto Ricans, Dominicans and immigrants from Central and South America. Explaining his terminology, Shorris, a contributing editor of Harper's Magazine, writes: "I have chosen to use Latino/Latina for linguistic rather than political, geographic or economic reasons: Latino has gender, which is Spanish, as opposed to Hispanic, which follows English rules. Although the linguistic connection to culture in the group name may eventually be killed, I choose not to be among the assassins." Shorris succeeds in introducing us to what he considers a misunderstood and downtrodden people. Typical of his perceptions is this description of the dominant culture in Hispanic history: "It must be remembered that there are two Spains: the Spain of the Inquisition and that of Miguel Cervantes, the inventor of Don Quixote, a Spain of certainty and irony, of paranoia and hope, of death and laughter." Armed with a quiver full of such paradoxes, he is able to interrogate the diverse representatives of his broad subject, the Mexicans of Texas and California, the Puerto Ricans of New York City and their home island in the Caribbean and the Cubans of Miami. Unhappily, Shorris has also shackled himself. One difficulty with "Latinos" is that the subject is a little too diverse for unobtrusive digestion. Latin Americans "are not one nationality, one culture, but many." They have suffered a variety of histories, even to a point where the parts that make up their whole often practice forms of racism against one another. As Shorris observes of the Latin encounter with American culture: "All the rules and one of the rules apply to Latinos." So the organization of this history is necessarily lumpy and discursive. More vexing still is the difficulty of seeing what Shorris is ultimately driving at. He insists more than

once that Nathan Glazer and Daniel Patrick Moynihan were wrong in their book "Beyond the Melting Pot" to conclude that all immigrant experiences were essentially the same and that American culture was tending toward homogeneity. Is this meant to imply that the extreme difficulties that Latinos are encountering in their struggle to succeed will ultimately prove insoluble? Or is Shorris arguing that America must radically change its ways to fit this buge and growing minority? His answer is not, by any means clear. But taken with half a grain of salt, "Latinos" is an informative survey of certain struggling Americans with tangled historical roots in common. Christopher Lehmann-Haupt is on the staff of The New York Times.



Now good news can travel even faster.

Advertisement for AT&T USADirect Service, listing international access numbers for various countries like Australia, France, Germany, Italy, etc.